



COUNCIL MEETING NOTICE/AGENDA

Posted on www.scdd.ca.gov

DATE: Wednesday, July 18, 2012
TIME: 10 a.m. – 5 p.m.
LOCATION: Hilton Sacramento Arden West
2200 Harvard Street
Sacramento, CA 95815
(916) 922-4700

Pursuant to Government code Sections 11123.1 and 11125(f), individuals with disabilities who require accessible alternative formats of the agenda and related meeting materials and/or auxiliary aids/services to participate in this meeting should contact Robin Maitino at (916) 322-8481 or email robin.maitino@scdd.ca.gov. Requests must be received by 5:00 pm, July 13, 2012.

**Denotes action items*

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| 1. CALL TO ORDER | L. Shipp |
| 2. ESTABLISHMENT OF QUORUM | L. Shipp |
| 3. WELCOME/INTRODUCTIONS | L. Shipp |
| 4. PUBLIC COMMENTS | |

*This item is for members of the public only to provide comments and/or present information to the Council on matters **not** on the agenda. Each person will be afforded up to three minutes to speak. Written requests, if any, will be considered first. The Council will provide a public comment period, not to exceed a total of seven minutes, for public comment prior to action on each agenda item.*

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12.	COUNCIL MEMBERS' UPDATES	All	
13.	ADJOURNMENT	L. Shipp	

For additional information regarding this agenda, please contact Robin Maitino,
1507 21st Street, Suite 210, Sacramento, CA 95811, (916) 322-8481



DRAFT

Council Meeting Minutes May 17, 2012

Members Present

April Lopez
Bill Moore
Catherine Blakemore
Dan Boomer
Ed Long
Jennifer Allen
Jennifer Walsh
Jim Suennen
Jonathan Clarkson
Jorge Aguilar
Kerstin Williams
Leroy Shipp
Lisa Cooley
Max Duley
Molly Kennedy
Olivia Raynor
Patty O'Brien-Peterson
Ray Ceragioli
Robin Hansen
Steve Silvius

Members Absent

Robert Jacobs

Others Attending

Angie Lewis
Barbara Wheeler
Carol Risley
Daniel Savino
Jane Lefferdink
Joan Burg
Kay Patterson
Lois Cissell
Mark Starford
Mary Agnes Nolan
Roberta Newton
Robin Maitino
Rocio Smith
Sam Seaton
Sarah May
Anonymous

1. CALL TO ORDER/ESTABLISHMENT OF QUORUM

Leroy Shipp, Chairperson called the meeting to order at 10:10 a.m. and a quorum was established.

2. WELCOME AND INTRODUCTIONS

Council members and others attending introduced themselves.

3. PUBLIC COMMENT

Anonymous spoke about the Golden Gate Regional Center (GGRC). He stated that GGRC is in violation of its contract with the state of California. Anonymous has requested to review GGRC's contracts on ten separate occasions and was denied access on each occasion. Anonymous stated that he has alerted Terri Delgadillo, Director, Department of Developmental Services (DDS) and to date has received no response. He also reported this noncompliance to the GGRC Board of Directors on several occasions with no resolution to date.

Anonymous requested intervention from Director Delgadillo again on May 3, 2012 and was subsequently notified that his prior requests were never received. Anonymous is requesting that this matter be addressed by DDS.

Daniel Savino with the Association of Regional Center Agencies (ARCA) spoke concerning Grant Cycle 35 priorities. ARCA submitted written testimony but also wished to underscore their interest in encouraging the funds be prioritized for improving and enhancing service delivery, employment, and school to work transition activities.

4. APROVAL OF JANUARY 2012 MEETING MINUTES

It was moved/seconded (Hansen/Allen) and carried to approve the January 25, 2012, Council meeting minutes as corrected.
(3 abstentions)

APROVAL OF MARCH 2012 MEETING MINUTES

It was moved/seconded (Hansen/Kennedy) and carried to approve the March 21, 2011, Council meeting minutes as corrected. (3 abstentions)

5. CONFLICT OF INTEREST (COI) WAIVER REQUEST

Far Northern Regional Center is requesting a waiver for Ms. Michelle Phillips. Ms. Phillips' sister is the Program Director of the Parent Infant Program in Chico which puts Ms. Phillips in conflict according to Section 54520, Title 17, California Code of Regulations.

Ms. Phillips mitigation plan is to: 1) refrain from voting on all matters relevant to the conflict of interest; 2) refrain from participating in the preparation, presentation, formulation or approval of reports, plans, policies, analyses, opinions or recommendation regarding the conflict of interest situation when the exercise of judgment is required and the purpose is to influence the decision; and, 3) shall not be involved in the negotiation, obligation, or commitment of the regional center to a course of action involving the conflict of interest situation.

With these controls in place, Area Board 2 voted and subsequently approved this COI waiver at their April 12, 2012 board meeting.

It was moved/seconded (Hansen/Aguilar) and carried to approve the waiver as presented with these controls in place. (2 abstentions)

6. ENSURING FAIR AND EQUAL ACCESS TO REGIONAL CENTER SERVICES FOR AUTISM SPECTRUM DISORDERS (ASD) HEARING

The Senate Select Committee on Autism and Related Disorders held a hearing April 30, 2012, to look at issues related to disparities in services. It was in part a follow up to a series of articles in the L.A. Times around how regional centers were identifying individuals with autism. There was a significant difference in the numbers of individuals served by regional centers and about who was eligible for services based on autism spectrum disorders. There have been a number of concerns about the different services and amount of services different ethnic groups are receiving.

Catherine Blakemore and Barbara Wheeler both testified at the hearing. Recommendations from Catherine and Barbara included: Encourage the convening of a statewide commission to specifically look at solutions to address issues concerning racial, ethnic, and geographic disparities. Solutions should include:

- Ensure that all consumers and their families have access to information about the service delivery system in languages which they can understand, including information about the range of services available and how consumers and parents can meaningfully participate in the IPP process.

- Development of strategies to help regional centers meet their language access obligations, including providing interpreters at IPP meetings and a written translation of the IPP in a timely manner.
- Ensure greater consistency with eligibility standards and services, so that families of children with autism spectrum disorders and individuals with other developmental disabilities can anticipate the same eligibility decisions and receipt of similar services between regional center catchment areas.
- Review and ensure that the array of services offered by regional centers reflect norms of individuals and their families, and that services are offered by vendors who have culturally and linguistically competent staff.
- Ensure that the twenty-one regional center boards are reflective of the ethnic diversity of their catchment area and that any statewide stakeholder groups are reflective of the ethnic and language diversity of the state.
- Development of a mechanism to publicly report on expenditures for the purchase of services and denials/termination of eligibility aggregated by race and ethnicity of the consumers.

7. COMMITTEE REPORTS

a. PROGRAM DEVELOPMENT COMMITTEE

(i) Cycle 35 Priority(s)

Lisa Cooley presented the recommendations of the Program Development Committee, along with the Principles and Concepts from the Employment First Committee.

After lengthy discussion of the State Plan Goals and Objectives and the Employment First Committee input, the following action was taken:

It was moved/seconded (Aguilar/Kennedy) and carried to adopt the Employment First Committee Principles as amended for inclusion in the Cycle 35 request for proposal.

It was moved/seconded (Raynor/Boomer) and carried to focus Cycle 35 funds on youth transition to integrated competitive employment.

b. LEGISLATIVE AND PUBLIC POLICY:

- (i) Assembly Bill 2325 – Access: AB 2325 was withdrawn by author.
- (ii) Senate Bill 1163 – Access: Bill dead thus required no action.
- (iii) Assembly Bill 1994 – Access: Bill dead thus required no action.
- (iv) Assembly Bill 2623 – Firearms: It was moved/seconded (Aguilar/O'Brien) and carried to oppose AB 2623. (1 abstention)
- (v) Senate Bill 1337 – Confidential Information: It was moved/seconded (Aguilar/Duley) and carried to support SB 1337. (2 abstentions)
- (vi) Senate Bill 764 – Telehealth: It was moved/seconded (Aguilar/Duley) and carried to support SB 764 if amended to clarify that telehealth in one of the choices, not necessarily the first or only manner to access ABA or IBI services during the demonstration project; that the use of telehealth is not intended to replace face-to-face services if that option is in the best interests of the consumer and/or family to achieve the outcomes of the IPP; that telehealth service be available and appropriate for California's diverse cultures; and to require the department to issue instructions regarding implementation of telehealth ABA and IBI services during the demonstration to assure statewide continuity and oversight. (5 abstentions)

- (vii) Assembly Bill 2538 – IHSS: The Council concurred with LPPC's recommendation to watch AB 2538.
- (viii) Assembly Bill 1841 – IHSS: Bill dead thus required no action.
- (ix) Assembly Bill 2074 – IHSS: Bill dead thus required no action.
- (x) Assembly Bill 2370 – "R" Word: It was moved/seconded (Aguilar/Lopez) and carried to support AB 2370.
- (xi) Senate Bill 1381 – "R" Word: It was moved/seconded (Aguilar/Lopez) and carried to support SB 1381. (2 abstentions)
- (xii) Assembly Bill 2338 Update: AB 2338 is currently on the Assembly floor waiting to be heard. The author's office has agreed to make the change bolded on page 172 of the agenda packet. However, there is a possibility that the amendments will not be made until the bill moves to the Senate.

c. SELF-ADVOCATES ADVISORY COMMITTEE (SAAC)

Jennifer Allen reported that SAAC members continue to make presentations in their communities and at various conferences. SAAC members continue to oppose cuts that would take services away from consumers.

d. EMPLOYMENT FIRST COMMITTEE

No report.

e. EXECUTIVE COMMITTEE

Lisa Cooley reported on the financial update presented by Michael Danti. According to the financial statement from July 1 through February 29 our spending is on target. All area boards are within their targeted budget allocations.

8. GOVERNOR'S BUDGET MAY REVISION

Jim Suennen, Health and Human Services Agency, stated that the Governor recognizes the challenges and difficulties in these tough economic times and he is trying to take the right steps to get the State's financial situation back in order. The Governor is hopeful that the November initiative is passed. On May 16, 2012 the Governor's Office released proposed trailer bill language that would impose a 1.25% payment reduction to regional center operations and most service providers. That would replace the current 4.25% reduction set to expire on June 30, 2012. This proposed trailer bill language does not have an ending or sunset date and would appear to be an ongoing permanent reduction.

Carol Risley provided an update on the Department of Developmental Services' (DDS) budget in the absence of department representation. DDS has several major issues in the May Revise. There is a second \$50 million trigger provision that is going to hit several departments, DDS being one if the Governor's revenue related budget initiatives do not pass in November. That will translate into an additional \$100 million in 2013-14. Right now DDS needs to fill a \$200 million hole, if the second trigger is pulled, it will add another \$50 million to the \$200 million.

On a positive note, DDS may receive \$40 million from the California First Five Commission. Some ideas of cost savings solutions would be to maximize the use of federal funds, aggressively enroll people in the community-based waiver (\$61 million in savings), and implementation of the insurance coverage for behavioral services that starts in July 2012 (estimated another \$79 million in savings).

The biggest item is the regional center and provider rate reduction. Right now it is sitting at 4.25% and that is scheduled to sunset on June 30, 2012. The Administration's proposal is to reduce that payment reduction to 1.25%.

Additionally, Carol noted that developmental center updates include a moratorium on new admissions and crisis services at Fairview. The Lanterman closure is still moving forward. They are expecting 110 people to move out in the next fiscal year.

Carol presented a draft letter dated April 17, 2012 from the Lanterman Coalition. The Lanterman Coalition is requesting the Council's support/signature. This letter opposes any and all direct service cuts that would harm people with developmental disabilities including \$30 million general fund cuts in provider payments and regional center operation. The letter goes on to offer no-harm savings such as: hold the average per-person spending in the developmental centers to closer to current-year levels; eliminate duplication in the community services quality assessment process; eliminate use of DDS office of Protective Services employees to enforce traffic laws on the public street outside the Sonoma DC and any other non-DDS functions; direct DDS to raise the Home and Community Based Services waiver cap in the next application, avoiding any risk of exceeding the cap in the future; and, urging the expedient and thoughtful closure of the Lanterman Developmental Center through the individualized program planning process. The letter further opposes cuts which would impact consumers and their ability to realize the civil rights as promised in the Americans with Disabilities Act and reinforced by the U.S. Supreme Court Olmstead decision.

It was moved/seconded (Aguilar/Duley) and carried to sign onto the Lanterman Coalition letter. (2 abstentions)

Bill Moore, Department of Rehabilitation (DOR), aside from the workforce adjustment and contract restrictions, DOR did not receive any direct programming cuts. Bill stated that there were relatively no new changes since the Governor's Budget was released in January. The proposed budget for DOR is \$421,287 million.

DOR requested an increase of \$500,000 in their case service during the May Revise to be used for the co-op and transitional partnership programs and it was approved. As reported in January, the Governor proposed to eliminate the Rehabilitation Appeals Board. This proposal was adopted by the Assembly Budget Subcommittee. This will change the method used to handle appeals filed by DOR applicants and consumers who are dissatisfied with decisions made regarding their eligibility for services or the type of services received.

Jonathan Clarkson, Department of Health Care Services, touched on the Duals Project stating that they are continuing to move individuals to managed care. Jonathan also stated that the May Revise included information about Proposition 10 funding, decreased caseload projections for Medi-cal, implementing provider payment reductions, and copayments.

Dan Boomer, Department of Education reported that Special Education continues to be funded at \$5.2 billion. There are special education local planning areas and the bulk of the money goes to them to fund services.

9. **STATEWIDE SELF-ADVOCACY NETWORK**

Jennifer Allen chaired the first meeting in April 2012. Jennifer stated how diverse the group was and how impressive the representation is throughout the state. The Network began the process of creating both a SSAN mission statement and individual mission statements. Additionally, the Network is working on creating a new logo and tag line to help get the word out about the Network. Goals include becoming paperless and teaching members Skype and Adobe Connect in order to stay connected between meetings.

The next meeting will be July 25-26, 2012, at which time they will be nominating/electing a chairperson.

10. **COUNCIL MEMBERS' UPDATES**

Lisa Cooley reported that she attended a two-day Transit Forum Summit in Sacramento. Topics of the Summit included transit oriented development. The idea behind that is to create communities that have alternative transit options rather than driving an automobile to accomplish their everyday activities. Lisa also reported on the need for accessible housing in communities.

April Lopez reported on her meeting with Senator Lou Correa to discuss proper training and education for teacher aides in the public school system. April was happy with the progress made with Senator Correa and will keep the Council updated.

Kerstin Williams reported that the self-advocacy group is hiring a new coordinator and that the Choices conference was April 13, 2012 with over 600 people attending.

Jennifer Walsh reported that Area Board 5 has chosen to focus their Cycle 35 Grant on a project to address abuse response/prevention. The announcement has gone out and the Area Board Grants Committee will meet prior to the Board meeting in June.

Spanish speaking parents attended a hearing to address inequities in the developmental services system. Two of the parents presented compelling testimony at the hearing as well as Rocio Smith.

Area Board 5 co-sponsored two conferences on autism. Both conferences featured speakers from the M.I.N.D. Institute and a panel of young adults with autism.

Jennifer received feedback from the community from the Contra Costa County Council. Feedback included having the self-advocacy site be interactive, having a list of advocacy groups throughout the state, and having basic information about different disabilities in a downloadable format on the website to use as an advocacy tool.

Jennifer Allen is doing a presentation in June at the Self-Advocacy Conference in Sacramento.

Jonathan Clarkson, Department of Health Care Services, was named to serve on the Governor's Council on Employment. This Council is re-envisioned and under the Department of Rehabilitation. Jonathan has also been appointed to the California Committee for Persons with Disabilities.

Jim Suennen, Health and Human Services Agency (CHHSA), announced that Peter Barth had been accepted at the Harvard Kennedy School of Government and would be leaving the agency. Secretary Dooley has designated Jim to be the Council's new CHHSA representative.

Leroy Shipp attended the Technology Expo in March hosted by the Supported Life Institute. He was impressed at the level of technology available to aid in communication for persons with disabilities. Leroy also attended the Region 2 People's First Conference on May 4-6, 2012. Over 130 people attended.

Area Board 2 is now fully staffed with the hire of Betty Carlton as the new Community Program Specialist II.

11. **ADJOURNMENT**

Meeting was adjourned at 4:30 p.m.

DEPARTMENT OF DEVELOPMENTAL SERVICES

1600 NINTH STREET, Room 240 MS 2-13
SACRAMENTO, CA 95814
TDD 654-2054 (For the Hearing Impaired)
(916) 654-1897



June 29, 2012

RECEIVED

JUL 03 2012

Leroy G. Shipp
Chairperson
State Council on Developmental Disabilities
1507 21st Street, Suite 210
Sacramento, CA 95814

2012-13 Proposed Schedule Update For The Parental Fee Program Pursuant To
Welfare & Institutions Code 4784 (A).

Dear Mr. Shipp:

As you know, the Parental Fee program assesses a fee to parents of children under the age of 18 who receive 24-hour out-of-home services purchased with State funds through a regional center. Parents are assessed a fee based on their ability to pay. Fees are scaled to gross annual family income, the number of persons dependent on the income, and the age of the child in placement. Legislation was passed in 2009 amending the Parental Fee Program and approving changes to the Parental Fee Schedule, the first increase to program fees since 2003. The 2009 fee increase was spread over 3 years for current program participants. All parents entering into the program effective July 1, 2009, and after were assessed using the new fee schedule. Other program changes included updating the Parental Fee schedule in accordance with the United States Department of Agriculture's (USDA) "Expenditures on Children by Families" and exempting parents with incomes at or below the Federal Poverty Level (FPL) from assessment of the parental fee. The Department of Developmental Services (DDS) assesses the fee after referral from regional centers when an out-of-home placement for a minor child occurs. The assessment is based on documentation and information provided by the participating parents. If the parents choose not to provide income information, the program sets the maximum fee for the age of the child.

Consistent with governing statute for the Parental Fee program, Welfare and Institutions Code, (WIC) section 4784 (a), I have reviewed and recommend adjusting the Parental Fee schedule for fiscal year 2012/13. WIC section 4677 (c) requires the State Council's approval to these adjustments. Overall, no rating categories will receive a fee increase. Ninety-three percent (93%) of the ratings categories for annual incomes between \$20,000 and \$130,001 will receive a fee decrease. There is no proposed change to the

"Building Partnerships, Supporting Choices"

Leroy G. Shipp, Chairperson

June 29, 2012

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change to the fees in the remaining seven percent (7%) of ratings categories for annual incomes over \$130,001. Though this re-evaluation could result in an increased fee for the remaining seven percent (7%) whose incomes are above \$130,000, DDS proposes to hold the fee at the existing level for this group of ratings categories, which in essence provides for no increase, but no decrease. The enclosed Parental Fee Schedule details the proposed fees for rating category by age of the child, annual income and family size, as proposed for an effective date of July 1, 2012. A participating parent with a child age 13 in out-of-home placement, an annual income of \$35,698, and three dependents will see a decrease of \$40 per month. The prior fee was \$375 per month, and the proposed fee for this family is \$335. The preparation of the proposed fee schedule used the same methods as the 2009 fee schedule, using updated FPL information, and updated statistics for 2010 from the USDA report, and an adjustment to reflect the consumer price index for 2011.

I hereby request your approval of the enclosed Parental Fee Schedule for 2012/13. If approved, the fee changes will be implemented starting with the August 2012 billing for July 2012 fees. Upon approval, the new fee schedule will be posted online at <http://www.dds.ca.gov/ParentalFee>.

For any questions regarding the Parental Fee Program, please contact Karyn Meyreles, Deputy Director, Administration Division at (916) 654-3432.

Sincerely,


 TERRI DELGADILLO
Director

Enclosure

cc: Eileen Richey, ARCA
John Popadak, ARCA
Nancy Bargmann, DDS
Bev Humphrey, DDS
Brian Winfield, DDS
Don Chipman, DDS
Shane Schilling, DDS



PARENT'S FINANCIAL RESPONSIBILITY MONTHLY PARENTAL FEE

Parents of children under the age of 18 who receive 24-hour out-of-home services provided by the State or purchased with State funds through a regional center are required to pay a fee depending on their ability to pay. Ability to pay is determined by use of a *Parental Fee Schedule*, established by the Director of the State Department of Developmental Services (DDS), and by application of provisions in Subchapter 2, Title 17, of the California Code of Regulations (CCR).

Statutory authority for financial responsibility is in Sections 4677, 4782, and 4784, of Division 4.5 of the Welfare and Institutions Code (WIC), otherwise known and cited as the Lanterman Developmental Disabilities Services Act.

WIC, Section 4677, establishes the Developmental Disabilities Program Developmental Fund, called the Program Development Fund (PDF). All parental fees collected are remitted to the State Treasury for deposit into the PDF. The purpose of the PDF is to provide resources needed to initiate new programs which are consistent with the State Plan. Any excess parental fees may be used for other lawful purposes only when specifically appropriated for such other purposes.

WIC, Section 4782, provides specific authority for parental financial responsibility, stating in part that "Parents of children under the age of 18 who are receiving 24-hour out-of-home care services through a regional center or who are residents in a state hospital . . . shall be required to pay a fee depending on their ability to pay, but not to exceed (1) the cost of caring for a normal child at home, as determined by the Director of DDS, or (2) the cost of services provided, whichever is less. DDS shall determine, assess, and collect all parental fees..."

WIC, Section 4784, provides that the Director of DDS establish, annually review, and adjust as needed, a schedule for parental fees; that such schedule is exempt from the provisions of the Administrative Procedures Act; and that in determining the amount parents will pay, the Director gives consideration to the following factors:

1. prior medical expenses;
2. whether the child is living at home;
3. parental payments for medical expenses (current), clothing, incidentals, and other items considered necessary to the normal rearing of a child; and,
4. transportation expenses incurred in visiting a child

The Parental Financial Responsibility Program is in Subchapter 2, Sections 50201 through 50241, Title 17 of the CCR. Among others, these regulations provide that parental fees shall be effective as of the first day of the month following the month that a client is placed in a 24-hour out-of-home facility; allow deductions from gross family income for specific client-related expenditures, major unusual expenditures; travel expenses to visit the client; and, set down program responsibilities for DDS and the regional centers.

The Department of Developmental Services shall:

1. determine, assess, bill, and collect all parental fees;
2. inform parents, in writing, of the parental fee determination results;
3. inform parents of their right to appeal the ability to pay determination and/or the amount of the fee;
4. handle all requests for parental fee appeals, notifying the appellant and the appropriate regional center of the appeal results; and,
5. remit all parental fee payments received from parents or a regional center to the State Treasury for deposit into the PDF.

Regional Centers shall:

1. inform parents that the parental fee determination is required by law; that parents having the ability will be required to pay; and that the *Parental Fee Schedule* is established by the Director of DDS;
2. provide parents with a package containing an Informational Letter, a Family Financial Statement (FFS), and a preaddressed, postage-paid envelope for their convenience in returning the completed FFS; and,
3. inform parents that their failure or refusal to complete and return the completed FFS within 30 days of the date on the Informational Letter will result in the Department's assessing a parental fee at the full cost of services or the maximum fee, whichever is less.



PARENTAL FEE SCHEDULE

Effective July 1, 2012

1. Find your family size (the number of persons in household per tax filing status).
2. Find the age of your child receiving services
3. Follow that row across the chart to your annual household income to get monthly fee amount

Family Size	Client Age	\$ 0 thru \$15,000	\$15,001 thru \$20,000	\$20,001 thru \$25,000	\$25,001 thru \$30,000	\$30,001 thru \$35,000	\$35,001 thru \$40,000	\$40,001 thru \$45,000	\$45,001 thru \$50,000	\$50,001 thru \$55,000	\$55,001 thru \$60,000	\$60,001 thru \$65,000	\$65,001 thru \$70,000	\$70,001 thru \$75,000	\$75,001 thru \$80,000	\$80,001 thru \$85,000	\$85,001 thru \$90,000	\$90,001 thru \$95,000
2 - 3	0 - 6	\$0	\$0	\$73	\$147	\$220	\$284	\$367	\$441	\$514	\$588	\$661	\$735	\$808	\$882	\$955	\$1,029	\$1,102
	7 - 12	\$0	\$0	\$75	\$149	\$224	\$299	\$374	\$448	\$523	\$598	\$673	\$747	\$822	\$897	\$972	\$1,046	\$1,121
	13 - 18	\$0	\$0	\$84	\$168	\$251	\$335	\$419	\$503	\$586	\$670	\$754	\$838	\$921	\$1,005	\$1,089	\$1,173	\$1,256
4	0 - 6	\$0	\$0	\$59	\$118	\$176	\$235	\$294	\$353	\$412	\$470	\$529	\$588	\$647	\$706	\$764	\$823	\$882
	7 - 12	\$0	\$0	\$60	\$120	\$179	\$239	\$299	\$359	\$419	\$478	\$538	\$598	\$658	\$717	\$777	\$837	\$897
	13 - 18	\$0	\$0	\$67	\$134	\$201	\$268	\$335	\$402	\$469	\$536	\$603	\$670	\$737	\$804	\$871	\$938	\$1,005
5	0 - 6	\$0	\$0	\$0	\$92	\$138	\$183	\$229	\$275	\$321	\$367	\$413	\$459	\$504	\$550	\$596	\$642	\$688
	7 - 12	\$0	\$0	\$0	\$93	\$140	\$187	\$233	\$280	\$326	\$373	\$420	\$466	\$513	\$560	\$606	\$653	\$700
	13 - 18	\$0	\$0	\$0	\$105	\$157	\$209	\$261	\$314	\$366	\$418	\$470	\$523	\$575	\$627	\$679	\$732	\$784
6	0 - 6	\$0	\$0	\$0	\$0	\$107	\$143	\$179	\$215	\$250	\$286	\$322	\$358	\$393	\$429	\$465	\$501	\$537
	7 - 12	\$0	\$0	\$0	\$0	\$109	\$146	\$182	\$218	\$255	\$291	\$327	\$364	\$400	\$437	\$473	\$509	\$546
	13 - 18	\$0	\$0	\$0	\$0	\$122	\$163	\$204	\$245	\$285	\$325	\$367	\$408	\$448	\$489	\$530	\$571	\$611
7 or more	0 - 6	\$0	\$0	\$0	\$0	\$0	\$112	\$140	\$167	\$195	\$223	\$251	\$279	\$307	\$335	\$363	\$391	\$419
	7 - 12	\$0	\$0	\$0	\$0	\$0	\$113	\$142	\$170	\$199	\$227	\$255	\$284	\$312	\$340	\$369	\$397	\$426
	13 - 18	\$0	\$0	\$0	\$0	\$0	\$127	\$159	\$191	\$223	\$254	\$286	\$318	\$350	\$382	\$413	\$445	\$477

*Parental fee begins at 100% of the Federal Poverty level based on family size and income

Family Size	Client Age	\$95,001 thru \$100,000	\$100,001 thru \$105,000	\$105,001 thru \$110,000	\$110,001 thru \$115,000	\$115,001 thru \$120,000	\$120,001 thru \$125,000	\$125,001 thru \$130,000	\$130,001 thru \$135,000	\$135,001 thru \$140,000	\$140,001 thru \$145,000	\$145,001 thru \$150,000	\$150,001 thru \$155,000	\$155,001 thru \$160,000	\$160,001 thru \$165,000	\$165,001 thru \$170,000	\$170,001 thru \$175,000	Over \$175,000 = 100% of Cost
2 - 3	0 - 6	\$1,176	\$1,249	\$1,323	\$1,396	\$1,470	\$1,543	\$1,617	\$1,690	\$1,764	\$1,795	\$1,795	\$1,795	\$1,795	\$1,795	\$1,795	\$1,795	\$1,795
	7 - 12	\$1,196	\$1,271	\$1,345	\$1,420	\$1,495	\$1,570	\$1,644	\$1,719	\$1,770	\$1,770	\$1,770	\$1,770	\$1,770	\$1,770	\$1,770	\$1,770	\$1,770
	13 - 18	\$1,340	\$1,424	\$1,508	\$1,591	\$1,675	\$1,759	\$1,843	\$1,927	\$1,977	\$1,877	\$1,877	\$1,877	\$1,877	\$1,877	\$1,877	\$1,877	\$1,877
4	0 - 6	\$941	\$1,000	\$1,058	\$1,117	\$1,176	\$1,235	\$1,293	\$1,352	\$1,411	\$1,470	\$1,529	\$1,587	\$1,646	\$1,705	\$1,764	\$1,795	\$1,795
	7 - 12	\$957	\$1,016	\$1,076	\$1,136	\$1,196	\$1,256	\$1,315	\$1,375	\$1,435	\$1,495	\$1,555	\$1,614	\$1,674	\$1,734	\$1,770	\$1,770	\$1,770
	13 - 18	\$1,072	\$1,139	\$1,206	\$1,273	\$1,340	\$1,407	\$1,474	\$1,541	\$1,608	\$1,675	\$1,742	\$1,809	\$1,876	\$1,943	\$1,977	\$1,977	\$1,977
5	0 - 6	\$734	\$780	\$825	\$871	\$917	\$963	\$1,009	\$1,055	\$1,101	\$1,147	\$1,192	\$1,238	\$1,284	\$1,330	\$1,376	\$1,422	\$1,422
	7 - 12	\$746	\$793	\$839	\$886	\$933	\$979	\$1,026	\$1,073	\$1,119	\$1,166	\$1,213	\$1,259	\$1,306	\$1,352	\$1,399	\$1,446	\$1,446
	13 - 18	\$836	\$888	\$941	\$993	\$1,045	\$1,098	\$1,150	\$1,202	\$1,254	\$1,307	\$1,359	\$1,411	\$1,463	\$1,516	\$1,568	\$1,621	\$1,621
6	0 - 6	\$572	\$608	\$644	\$680	\$715	\$751	\$787	\$823	\$859	\$894	\$930	\$966	\$1,002	\$1,037	\$1,073	\$1,109	\$1,109
	7 - 12	\$582	\$618	\$655	\$691	\$728	\$764	\$800	\$837	\$873	\$909	\$946	\$982	\$1,019	\$1,055	\$1,091	\$1,128	\$1,128
	13 - 18	\$652	\$693	\$734	\$775	\$815	\$855	\$897	\$938	\$978	\$1,019	\$1,060	\$1,101	\$1,141	\$1,182	\$1,223	\$1,264	\$1,264
7 or more	0 - 6	\$446	\$474	\$502	\$530	\$558	\$586	\$614	\$642	\$670	\$698	\$725	\$753	\$781	\$809	\$837	\$865	\$865
	7 - 12	\$454	\$482	\$511	\$539	\$567	\$596	\$624	\$653	\$681	\$709	\$738	\$766	\$794	\$823	\$851	\$880	\$880
	13 - 18	\$509	\$541	\$572	\$604	\$636	\$668	\$700	\$731	\$763	\$795	\$827	\$858	\$890	\$922	\$954	\$986	\$986

*For incomes over \$175,000, the parental fee is determined via the same method as the fees shown on this page

APPEAL PROCESS

Parent(s) dissatisfied with the determination of ability to pay results or the amount of the parental fee may

Within 30 days from the date on the Fee Notification Letter, request an appeal. Such request must be in writing and addressed to:

DEPARTMENT OF DEVELOPMENTAL SERVICES

Client Financial Services

1600 Ninth Street, Room 205, MS 2-3

Sacramento, CA 94244-2020

This Parental Fee Schedule enables parents to estimate the amount of their monthly parental fee. The actual amount may be different from the above depending on allowable deduction to annual income or family size

COUNCIL AGENDA ITEM DETAIL SHEET

ISSUE: California Model Youth Leadership Forum (YLF).

BACKGROUND: Since 2008, SCDD has awarded funding to YLF to help fund participation of at least 10 student delegates with developmental disabilities at the California Youth Leadership Forum for Students with Disabilities.

Since 1992, the YLF has successfully held this event and plans to produce this event annually in California. Based upon the California Model, the YLF has trained more than 30 other states and Puerto Rico that now produce similar events in their states and territories.

YLF is held at the State Capitol in Sacramento, CA and California State University, Sacramento. The YLF anticipates that 60 high school students will be selected to attend through a competitive process. The average cost is approximately \$1,900 per student delegate, not including the many services and goods provided in-kind by volunteer supporters.

ANALYSIS/DISCUSSION: The YLF is an innovative, intensive five-day career and leadership training program for high school juniors and seniors with disabilities. The training provides students with resources to choose and reach their employment and personal goals. The materials are presented in an entertaining and educational format.

- The program includes small and large group educational discussions, a talent/variety show, a dance, and a formal luncheon with community leaders, meetings with State Legislators and a meeting in the Governor's Office.
- Topics include "Choosing a Career," "Understanding the History of Disability as a Culture," and "Assistive Technology for Independence and Employment."
- Presenters include community leaders, legislators, celebrities, and other adult role models who have disabilities.
- The students identify existing barriers to personal and professional success and develop plans to deal with those barriers. They learn to manage their independence, including their health care issues. They develop public policy recommendations, which are presented to the Governor and State Legislature.
- Each student develops a "Personal Leadership Plan" which includes specific action items to help them reach their career and personal goals when they return to their communities.

COUNCIL STRATEGIC PLAN GOAL/OBJECTIVE: Strategic Plan Goal #2: Individuals with developmental disabilities and their families become aware of their rights and receive the supports and services they are entitled to by law across the lifespan, including early intervention, transition into school, education, transition to adult life, adult services and supports, and senior services and supports.

PRIOR COUNCIL ACTIVITY: Since 2008, the SCDD has annually awarded \$9,999 to the YLF for this event.

STAFF RECOMMENDATION: Awarding \$9,999.00 to YLF which will allow individuals with developmental disabilities to participate in this event scheduled for July 2012.

ATTACHMENTS(S): Outline of YLF

PREPARED: Kristie Allensworth July 2, 2012



California Youth Leadership Forum for Students with Disabilities

 ACCESSIBILITY PANEL

Thank You to Our Sponsors for Supporting YLF!



Luncheon Registration

About YLF

Volunteer

Become a Sponsor

Sponsors

Alumni

Contact Us



“The foundation of
every state is the
education of its
youth. ”

- Diogenes Laertius

About the Youth Leadership Forum for Students with Disabilities

What is the Youth Leadership Forum?

An exciting five day leadership or program that provides information on everything from technology to resource agencies, and helps you create a

"Personal
Leadership Plan" to
help you reach your
future education and
career goals. Plus,
you and your peers



will be able to meet and interact with leaders in the
State and Nation - celebrities, politicians,
entertainers, and other role models from the
"disability community"

The forum takes place July in the State Capitol,
Sacramento, California. Student delegates and

volunteer staff stay in the dorms at [California State University, Sacramento](#). If you have never experienced a university campus before, this is a great opportunity to do so!

Furthermore, there is **NO COST FOR YOU TO ATTEND!**

Who funds this fantastic opportunity?

The YLF is produced as a cooperative project that



includes State Employment Development Department, Department of Rehabilitation,

Department of Education, State Independent Living Council, CalSTAT and California Health Incentives Improvement Project/San Diego State University, California Workforce Investment Board, State Council on Developmental Disabilities, California Foundation for Independent Living Centers, California Youth Leadership Forum Alumni Alliance, and Friends of Californians with Disabilities, Inc.

Who can attend?

This amazing opportunity is only available to:

- **California Residents Only**
- *High School students in 11th or 12th grade with a disability which may include a variety of disabilities such as learning, visual, mobility, mental health, developmental, hearing, and*

neurological impairments. Some age exemptions may be made.

- * Those who have demonstrated leadership potential in school and in the community.*

How are students selected?

Approximately 60 students will be chosen to will be contacted by telephone to arrange a personal interview. YLF Steering Committee partners will conduct the interview during March and April. The Student Selection committee will make final selections by early May. All applicants will be notified by mail.

What happens if you are selected to attend YLF?

Students will be asked to complete a confirmation form and provide additional information. YLF staff will send detailed information about the Forum's schedule and activities in July. All appropriate expenses will be paid by the Youth Leadership Forum. This includes travel lodging, food, and accommodations such as sign language interpreters, personal care attendants and alternate formats.

What happens after you attend YLF?

All alumni of the YLF program are eligible to join the YLF alumni Alliance, a group devoted to furthering the leadership skills of



future youth with disabilities across California.

Alumni are strongly encouraged to share what you've learned at YLF with your high school by giving presentations, encouraging other students to apply for future YLFs, and talking to your friends about your YLF experience.

Overall, YLF will prepare you to be a stronger leader and give back to your community!

(916) 558-5437 | 722 Capitol Mall, Suite 3099 Sacramento, CA 95814
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COUNCIL AGENDA ITEM DETAIL SHEET

ISSUE: Sponsorship request from the Tarjan Center at UCLA.

BACKGROUND: The California State Council on Developmental Disabilities (SCDD) supports events that promote self-advocacy, leadership and education, thereby enabling people with developmental disabilities and their family members to expand their knowledge and skills. Toward that goal, organizations may apply for Council sponsorships for events that promote consumer and family self-advocacy.

ANALYSIS/DISCUSSION: Tarjan and California Consortium for Postsecondary Education for People with Developmental Disabilities will host a meeting in southern California on September 25, 2012. The meeting will be held at the Center for Healthy Communities (California Endowment) in Los Angeles, CA. Individuals from communities across California will participate in discussions and planning with college disability support professionals, transition specialists, rehabilitation and regional center administrators and counselors, parents, persons with disabilities and advocates to develop strategies for increasing access to postsecondary education as a pathway to competitive integrated employment.

Consumers and families will learn effective strategies utilized by advocates and parents in planning for the participation of youth with developmental disabilities in postsecondary education. The meeting will provide opportunities for self advocates to participate as panelists to discuss promising practices, individualized supports in higher education settings and their success. Family Advocates will obtain information from parents and experts in developing effective transition plans. This information will equip consumers and advocates with information to exercise control in transition planning and greater choice in selecting postsecondary education options. The meeting will promote consumer advocacy, systems' coordination, and will provide opportunities for consumers and community support agencies to obtain resources and information on benefits planning. Training and tools provided at the meeting will increase participants' knowledge about Social Security and disability benefits. Consumers and families will contribute as stakeholders to exchange information on the benefits of higher education, natural education, natural supports and expanded employment opportunities for individuals with developmental disabilities.

Invitations will be targeted at two and four year colleges, school districts, rehabilitation and regional centers and will specifically request consumers, parents, and advocates be invited to participate on panels and throughout all aspects of the meeting.

The Tarjan Center requests \$999 in sponsorship funding to support the travel of consumers family self-advocates and postsecondary education professionals.

COUNCIL STRATEGIC PLAN GOAL/OBJECTIVE: Goal #2: Individuals with developmental disabilities and their families become aware of their rights and receive the supports and services they are entitled to by law across the lifespan, including early intervention, transition into school, education, transition to adult life, adult services and supports, and senior services and supports.

Objective 2b) Individuals with developmental disabilities, their families and their support and/or professional staff will increase their knowledge and skills so as to effectively access needed educational and/or community-based services through at least 225 trainings, conferences, workshops, webinars, and/or resource materials developed by the Council on topics such as rights under IDEA, rights under California's Lanterman Act etc. on an annual basis.

PRIOR COUNCIL ACTIVITY: Since the beginning of FY 2011-12, the Council has awarded \$5,747.00 for sponsorship requests. The Council allocates \$25,000 per fiscal year for sponsorships. The fiscal year began July 1, 2011.

STAFF RECOMMENDATION: Award \$999.00 to Tarjan Center to of individuals with developmental disabilities to participate in this program September 25, 2012.

ATTACHMENTS(S):

1. Tarjan Center sponsorship request
2. Sponsorship budget sheet
3. Letter of support

PREPARED: Kristie Allensworth June 26, 2012

June 18, 2013

California State Council on Developmental Disabilities
1507 21st Street, Suite 210
Sacramento, CA 95814
Attn: Carol Risley

Re: SCDD Sponsorship to Promote Consumer and Family Participation and Self Advocacy

The Tarjan Center (Tarjan) at UCLA requests \$999 in sponsorship funding to support the travel of consumers, family self-advocates and postsecondary education professionals to attend the California Consortium for Postsecondary Education for People with Developmental Disabilities Southern Region Meeting. The meeting's focus is consistent with the State Council's efforts in transition, access to postsecondary education and increased participation in competitive integrated employment. This letter provides information below as required by SCDD Sponsorship Section B (a-g). Sections A-G correspond to the information required by SCDD Sponsorship Policy.

A. Name, date, location and description of the event/conference

Tarjan and California Consortium for Postsecondary Education for People with Developmental Disabilities will host a meeting in southern California on September 25, 2012. The meeting will be held at the Center for Healthy Communities (California Endowment) located at 1000 North Alameda Street Los Angeles, CA 90012. Individuals from communities across California will participate in discussions and planning with college disability support professionals, transition specialists, rehabilitation and regional center administrators and counselors, parents, persons with disabilities and advocates to develop strategies for increasing access to postsecondary education as a pathway to competitive integrated employment.

B. Describe how this conference will increase the ability of consumers and family members to exercise control, choice and flexibility in the services and supports they receive, including a description of the specific way SCDD's funding would be utilized

Consumers and families will learn effective strategies utilized by advocates and parents in planning for the participation of youth with developmental disabilities in postsecondary education. The meeting will provide opportunities for self advocates to participate as panelists to discuss promising practices, individualized supports in higher education settings and their success. Family advocates will

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE
DATE 06-18-2013 BY 60322 UC/LAW/STP/JR

obtain information from parents and experts in developing effective transition plans. This information will equip consumers and advocates with information to exercise control in transition planning and greater choice in selecting postsecondary education options. The meeting will promote consumer advocacy, systems' coordination, and will provide opportunities for consumers and community support agencies to obtain resources and information on benefits planning. Training and learning tools provided at the meeting will increase participants' knowledge about Social Security and disability benefits. Consumers and families will contribute as stakeholders to exchange information on the benefits of higher education, natural supports and expanded employment opportunities for individuals with developmental disabilities.

C. The number and type of expected attendees (i.e. teachers, providers, administrators, etc.), including how many are expected to be consumers and family members

It is anticipated that ninety nine participants will attend the Consortium meeting comprised of representatives from the following: approximately 25% from two & four year colleges; 15% K-12 school district personnel, 15% rehabilitation counselors, 15% regional center administrators and counselors, 30% consumers, parents, advocates and other interested parties.

D. How you will conduct outreach to increase consumer and family involvement in the conference

Invitations will be targeted at two and four year colleges, school districts, rehabilitation and regional centers and will specifically request consumers, parents, and advocates be invited to participate on panels and throughout all aspects of the meeting. Targeted invitations will be distributed via agency listservs, (e.g. Family Resource Centers, Network of California; California Consortium for Postsecondary Education for People with Developmental Disabilities; California Community Colleges Chancellor's Office; Department of Rehabilitation and Regional Centers) statewide. Fliers will be made available through mass distributions at regional conferences, transition fairs, meeting events and through the California Consortium on Postsecondary Education for People with Developmental Disabilities network. An announcement will be placed on the Tarjan Center Open the Doors to College website. Disability focused interest groups will be contacted and provided with fliers for distribution to consumers and family advocates.

E. A complete and total budget, including the amount you are requesting (\$999 limit), details on the amount and sources of other funds solicited or obtained

Exhibit A includes a complete and total budget detailing how SCDD sponsorship funds will be used. Sponsorship funding will cover the cost of travel for consumers, family members and professionals from California counties outside the Los Angeles area.

F. A list of other SCDD sponsorships and grants you have previously requested and/or received

In 2011, Tarjan requested and received funding from the State Council to support the second Think College© sponsored Working Conference on "Driving Forces Behind Successful Postsecondary Education and Employment for Young Adults with Intellectual Disabilities and Autism" attended by one hundred thirteen consumers, advocates and professionals from two and four year colleges, DOR, K-12 school districts, regional centers and other agencies. In 2009, we requested and received funding of the first Think College© sponsored Working Conference on "Supporting Students with Autism and Intellectual Disabilities in Postsecondary Education for Success" attended by more than one seventy consumers, advocates and professionals from two and four year colleges, DOR, K-12 school districts, regional centers and other agencies.

In 2005, Tarjan received a contract to conduct an internal survey towards the development of California's State Council on Developmental Disabilities' Strategic Plan. In 2007, the California Consortium for Postsecondary Education for People with Developmental Disabilities under the auspices of the Tarjan requested and received funding in the form of a Cycle 30 Community Development Grant. Other contracts and grants were received more than five years ago.

Disclosure: Tarjan, a University Center for Excellence in Developmental Disabilities, is represented on the State Council by Olivia Raynor, Ph.D. Faculty and staff of Tarjan will not benefit from receipt of the sponsorship funds being requested. Funds received from SCDD will be used solely for the purpose of travel for consumers, family advocates and professionals to attend the conference.

G. A letter of recommendation from a consumer and/or family organization that supports your efforts to improve consumer and family self-advocacy

Exhibit B includes a letter of recommendation from Linda Butler, an advocate and Consumer Coordinator at Westside Regional Center. Ms. Butler serves on the

regional center's board of directors and is a member of the Association of Regional Center Agencies Consumer Advisory Committee. She advocates for consumer choice and options in postsecondary education and employment.

In accordance with sponsorship requirements, Tarjan and the California Consortium for Postsecondary Education for People with Developmental Disabilities will provide acknowledgement that consumer and family participation in the event is made possible, in part, with funding from the California State Council on Developmental Disabilities. After the event, we will submit a written report to the State Council on Developmental Disabilities describing outcomes achieved and how consumers and families participated and benefited from the meeting.

**California Consortium for Postsecondary Education for People with
Developmental Disabilities Southern Region Meeting**

Budget

Expense	Estimated Cost	Actual Cost
Facility Fee	In-Kind Donation	In-Kind Donation
Audio/Visual Equipment	In-Kind Donation	In-Kind Donation
Cost for Parking	In-Kind Donation	In-Kind Donation
Materials & Printing Packets (\$4.00@ 99 persons)	\$396.00	\$396.00
Food/Catering*		
Breakfast (99@ 5.00)	\$495.00	\$495.00
Tax & Gratuity (20%)	$(495.00 \times .20) = 99.00$	\$99.00
Total Expenses:	\$990.00	\$990.00

Revenue	Estimated Revenue	Actual Revenue
Cost per person	(99@\$10)	990.00
Total Revenue:	\$990.00	\$990.00

* Information will be provided so participants may purchase lunch from restaurants in the community.

June 19, 2012

California State Council on Developmental Disabilities
1507 21st Street, Suite 210
Sacramento, CA 95814
Attn: Carol Risley

To Whom It May Concern,

I am writing this letter in support of the Tarjan Center' and the California Consortium for Postsecondary Education for People with Developmental Disabilities upcoming meeting. I have been a member of the Tarjan Advisory Council (TAC) for a number of years and have been a strong voice in the advocacy movement.

I am proud to be a representative voice for my peers who are learning more about their rights and responsibilities as California citizens. Persons with disabilities should have equal opportunities to pursue education as well as training and support to gain and maintain employment. Informative meetings like the one the Tarjan Center is planning create an environment for the sharing of ideas that can lead to the fulfillment dreams.

As a disability rights advocate it is my responsibility to support projects designed to assist people to live the best life possible. I believe that this meeting will create the opportunity for my peers to speak with experts who have an interest in postsecondary education and employment.

The State Council has an excellent reputation for funding opportunities for advanced learning and participation. I believe that supporting this meeting is yet another opportunity for the State Council to fund a great learning opportunity.

Sincerely,

A handwritten signature in cursive script that reads "Linda Butler".

Linda Butler



State Council on Developmental Disabilities

• website • www.scdd.ca.gov • email • council@scdd.ca.gov

1507 21st Street, Suite 210
Sacramento, CA 95811



STATE OF CALIFORNIA

Edmund G. Brown Jr.
Governor

(916) 322-8481
(916) 443-4957 fax
(916) 324-8420 TTY

Community Program Development Grant

Request for Proposal Application and Instructions Federal Fiscal Year 2013 Cycle 35

**Proposal Deadline
5:00 p.m. Friday, July 27, 2012
No faxes or emails will be accepted**

**The application packet is available at:
www.scdd.ca.gov**

**Please call Kristie Allensworth with any questions regarding the application or grant process:
(916) 322-8481
Kristie.allensworth@scdd.ca.gov**

State Council on Developmental Disabilities –RFP CPDG Cycle 35 2013

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State Council on Developmental Disabilities –RFP CPDG Cycle 35 2013

A. PURPOSE AND DESCRIPTION OF SERVICES

1) Purpose

The purpose of this Request for Proposal (RFP) is to seek qualified proposers to develop innovative transition models to increase the numbers of youth and young adults with developmental disabilities, ages 14-30 in integrated competitive employment. and/or postsecondary educational opportunities leading to career advancement. The State Council on Developmental Disabilities (SCDD) is soliciting proposals that meet all of the criteria set forth in this, RFP.

2) Background

State Councils on Developmental Disabilities are funded by the Administration on Developmental Disabilities (ADD) under federal law 42 USC 15021 SEC. 121 to "engage in advocacy, capacity building, and systemic change activities that contribute to a coordinated, consumer- and family-centered, consumer- and family-directed, comprehensive system of community services, individualized supports, and other forms of assistance that enable individuals with developmental disabilities to exercise self-determination, be independent, be productive, and be integrated and included in all facets of community life."

State Councils on Developmental Disabilities (SCDD) are required to develop 5 year State Plans which identify goals and objectives to enhance and improve upon the quality of life enjoyed by individuals with developmental disabilities. This RFP is intended to fund projects that advance the Council's State Plan goals, as cited below:

California's 2012—2016 State Plan includes the following Goal #9:

"Working age adults with developmental disabilities have the necessary information, tools and supports to succeed in inclusive and gainful work opportunities."

Further, SCDD convenes the Employment First Committee (EFC), established under Chapter 231, Statutes of 2009, and charged with developing a recommended employment first policy, identifying best practices and strategies for gainful employment, identifying existing sources of employment data, and recommending legislative, regulatory, and policy changes for increasing the number of individuals in integrated competitive employment, self employment and microenterprises who earn wages at minimum wage or above, and make recommendations for improving transition practices.

SCDD is also a member agency in the California Consortium on the Employment of Youth and Young Adults with Intellectual Disabilities/Developmental Disabilities (CECY),-a Project of National Significance Partnerships in Employment Grant. CECY is a statewide collaboration of state agencies, associations and committees in rehabilitation, developmental services, education, employment whose mission is to build capacity in California state systems and local communities to increase the number of youth and young adults with intellectual and other developmental disabilities in integrated competitive employment.

State Council on Developmental Disabilities –RFP CPDG Cycle 35 2013

Few youth (14%) with developmental disabilities in California today achieve employment following high school, as the vast majority transition to day programs or other non-work activities. Through the design and implementation of this 2013 grant cycle, we are seeking proposals that will address barriers and assist youth to achieve integrated competitive employment in careers of their choice.

3) Description of Services Sought

a) Project Priorities

- New or expanded innovative transition models that result in increased numbers of youth in integrated competitive employment.
- New or expanded innovative transition models that result in increased numbers of youth in postsecondary educational opportunities to facilitate career development leading to integrated competitive employment.

Within each priority above, the project shall incorporate the provision of information and training for youth and families that set expectations at an early stage of life for future integrated competitive employment and increase the number of families successfully supporting transition to postsecondary education and/or integrated competitive employment. This information should include a component illustrating the responsible agencies and assistance available during different stages of a consumer's lifetime.

b) Guiding Principles for Projects

Proposals must address how the following principles will be met by the project:

- Involve individuals with developmental disabilities and families in the development of the project.
- To the extent feasible, employ individuals with developmental disabilities in the implementation of the project.
- Illustrate how the project will reach typically underrepresented populations and specifically involve individuals from diverse cultures in the development and implementation of the project..
- Illustrate how the project will collaborate with existing agencies, organizations and initiatives that are currently focused on achieving integrated competitive employment of people with developmental disabilities.
- Include a specific focus on youth who will have significant support needs when they transition to integrated competitive employment.

State Council on Developmental Disabilities –RFP CPDG Cycle 35 2013

c) Duration of Project

Grants awarded under this RFP Cycle 35 are for one year (October 1, 2012 – September 30, 2013) or may be submitted for a two year period, ending September 30, 2014. If the proposal assumes funding for a second year, this must be clearly stated and there must be independent outcomes identified for each year of funding. The Council will evaluate the expenditure of funds and programmatic progress annually. Funding for the second year is subject to the availability of funds and the Council's evaluation of first year progress and outcomes.

d) Definitions (for the purposes of the RFP)

Competitive employment means work in the competitive labor market that is performed on a full time or part time basis in an integrated setting and for which an individual is compensated at or above minimum wage, but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by individuals without disabilities. Competitive employment includes self-employment and microenterprises.

"Integrated work" means the engagement of an employee with a disability in work in a setting typically found in the community in which individuals interact with individuals without disabilities other than those who are providing services to those individuals, to the same extent that individuals without disabilities in comparable positions interact with other persons.

"Youth/Targeted Population" means individuals with developmental disabilities between the ages 14 and 30.

"Developmental disability" means

- 1) a severe, chronic disability of an individual that is attributable to a mental or physical impairment or combination of mental and physical impairments;
- 2) manifested before the individual attains age 22;
- 3) is likely to continue indefinitely; (4) results in Substantial limitations in three or more of the following functional areas: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and capacity for economic self-sufficiency;
- 4) reflects the individual's need for a combination and sequence of special, interdisciplinary or generic services, individualized supports, or other forms of assistance that are lifelong and extended duration and are individually planned and coordinated.

B. MINIMUM QUALIFICATIONS FOR PROPOSERS

Each proposer shall demonstrate substantial experience in delivering transition-related services to youth and/or adults with developmental disabilities. Proposers shall provide information regarding the qualifications of the proposer and all staff and/or consultants who will contribute to the project. The proposal shall include:

State Council on Developmental Disabilities –RFP CPDG Cycle 35 2013

- 1) An organizational chart, job descriptions, and qualifications, as applicable, (maximum 5 pages, plus specifically referenced resumes)
- 2) A signed cover letter shall be included on company letterhead and attached to the front of the RFP response package. The signature on the cover letter shall be from the lead proposer or a duly authorized party representing the proposer and the proposer's proposal. At a minimum, the cover letter shall include the following statement:

"We have carefully read and understand all the provisions in this RFP and agree to be bound by them. We fully read and reviewed the terms and conditions as stated in the State Contracting Requirements, attached to the RFP, and, that by submitting a response understand that this document represents the agreement that we will be expected to execute if we are successfully awarded a **Cycle 35 CPDG from the SCDD.**" No deviations or exceptions to this statement shall be accepted or permitted.

C. INSTRUCTIONS FOR SUBMITTING PROPOSAL

a) Timelines and Submission Information

Proposal Deadlineby 5:00 p.m. on Friday, July 27, 2012
Written Question Submittal Deadline.....no later than 3:00 pm on July 13, 2012
Council Action to Award Grant(s).....September 12, 2012
Public NoticeSeptember 13, 2012
Protest PeriodSeptember 13 – 23, 2012
Award Notification (pending completion of protest period) September 23, 2012
Anticipated Funding of Awarded Proposals to Begin..... November 1, 2012

- 1) The proposal must be complete and meet all of the requirements set forth in the proposal guidelines.
- 2) Proposers are responsible for providing accurate, current, and complete information about their organization and proposed program/project.
- 3) All decisions regarding proposals that are ultimately funded are the sole responsibility of SCDD. Therefore, submission of all required documentation must be submitted and completed in the manner outlined in this proposal packet.
- 4) SCDD reserves the right to amend guidelines by addendum, but no later than ten days prior to the submission deadline date.
- 5) Two copy ready applications, including all the required documentation must be received by **July 27, 2012 at 5:00 p.m.** Any proposals received after Friday, July 27, 2012 regardless of the postmarked date, will be returned to the proposer, and will not proceed through the evaluation process.

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- 6) SCDD **does not accept faxing or e-mailing** of any documents pertaining to the completed application.
- 7) The proposals selected for funding will be at the sole discretion of SCDD.
- 8) Prior to posting the "Notice of Intent to Award Contracts" and during the protest period all proposals will be designated confidential to the extent permitted by the California Public Records Act. After the protest period ends, all proposals received will be regarded as public record. Any language purporting to render all or any portion of the proposals confidential shall be regarded, as non-effective and the proposal will be rejected.
- 9) SCDD staff will not provide written or oral debriefings to unsuccessful applicants.
- 10) The proposal package should be prepared in the least expensive method.
- 11) All proposals must be submitted under **sealed** cover and sent to **State Council on Developmental Disabilities** by dates and times shown in Section C (a), Timelines and Submission Information on page 6.
- 12) The original proposal must be marked "ORIGINAL COPY". All documents contained in the original proposal package must have original signatures and must be signed by a person who is authorized to bind the proposing firm. All additional proposal sets may contain photocopies of the original package.
- 13) The proposal envelopes must be plainly marked with the RFP number and title, your firm name and address, and must be marked with "DO NOT OPEN", as shown in the following example:

State Council on Developmental Disabilities
1507 21st Street, Suite 210
Sacramento, CA 94811
Attention: Kristie Allensworth

DO NOT OPEN

- 14) If the proposal is made under a fictitious name or business title, the actual legal name of proposer must be provided.
- 15) Proposals not submitted under sealed cover and marked as indicated may be rejected.
- 16) Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.

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- 17) A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. SCDD may reject any or all proposals and may waive any immaterial deviation in a proposal. SCDD's waiver of immaterial deviation shall in no way modify the RFP or excuse the proposer from full compliance with all requirements.
- 18) Costs incurred for developing proposals and in anticipation of award of agreement contract are entirely the responsibility of the proposer and shall not be charged to the State of California.
- 19) An individual who is authorized to bind the proposing firm contractually shall sign the Attachment 2, Proposal/Proposer Certification Sheet, page 27. The signature must indicate the title or position that the individual holds in the firm. Unsigned proposals may be rejected.
- 20) All proposals are to be complete when submitted. However, an entire proposal may be withdrawn and the Proposer may resubmit a new proposal prior to Proposal Due Date. Proposal modifications offered in any other manner, oral or written, will not be considered.
- 21) SCDD may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all parties who received a proposal package.
- 22) SCDD reserves the right to reject all proposals. The agency is not required to award an agreement.
- 23) Before submitting a proposal, proposers should review, correct all errors and confirm compliance with the RFP requirements.
- 24) Where applicable, proposer should carefully examine work sites and specifications. No additions or increases to the agreement amount will be made due to a lack of careful examination of work sites and specifications.
- 25) SCDD does not accept alternate contract language from a prospective contractor. A proposal with such language will be considered a counter proposal and will be rejected. The State's General Terms and Conditions (GTC) are not negotiable.
- 26) No oral understanding or agreement shall be binding on either party.

b) Electronic Questions and Answers for this RFP

For the purpose of discussing questions or concerns regarding this RFP, e-mails may be sent to Kristie Allensworth, any time before, and up July 13, 2012. Send your e-mails to kristie.allensworth@scdd.ca.gov. In order to ensure fairness, all questions regarding this RFP will be shared via e-mail with each person, agency or organization requesting RFP packets. Answers to questions will be sent to prospective proposers on or before July 20, 2012. Persons requesting RFPs shall provide their email address at the time of their request to Kristie Allensworth in order to ensure receipt of all questions and responses.

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D. FUNDING OF PROJECTS

- 1) SCDD anticipates awarding a total of \$360,000 for one or more grants in Cycle 35.
- 2) Funding is contingent on the SCDD's receipt of sufficient federal funds. After the announcement of a grant award, changes in the level of federal appropriations received by SCDD may result in the reduction of funds or withdrawal of some or all funded proposals. SCDD assumes no responsibility for costs incurred by the applicant for the completion or submission of a proposal.
- 3) SCDD reserves the right to accept or reject any or all proposals received as a result of the request, to negotiate with any qualified entity, or to modify or cancel, in part, or in its entirety, these guidelines if it is in the best interest of SCDD to do so.
- 4) SCDD may reduce the allocation request in any proposal. If the proposal amount is reduced, the applicant will be asked if they would like to proceed with the process. If applicant wishes to proceed, a revised budget will be required with the new allocation amount.
- 5) Successful grantees will submit all invoices in arrears. Prior to executing the contract, successful grantees must be able to provide assurances that they are financially able to meet expenditures until approved reimbursement is received.

E. REQUIREMENTS FOR PROJECT SUBMISSION

1) Components of Submission

a) Cover Letter, Cover Page and Table of Contents

- i. All proposals shall contain a cover letter, as specified on page 6 and a cover/title page.
- ii. A table of contents is required and shall include all sections identified with all pages clearly and consecutively numbered.

b) Statement of Purpose/Overall Approach

In no more than two double-spaced, typewritten pages (12-point Arial font), the proposer shall describe its understanding of the scope of the RFP and the overall approach to carrying out the provisions. Include a brief description of proposer's organization, the program services to be provided, and the methods proposed to meet and evaluate program services.

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c) **Proposal Narrative**

The narrative must include:

- i) A detailed work plan indicating all tasks and work to be completed and time lines for all major activities. All proposals must include each of the items below, as well as the items identified on the Checklist (Attachment 1) and be responsive to the RFP. Sample work products will not be considered in lieu of a narrative description.
- ii) Measurable goals, objectives, implementation strategies, and anticipated outcomes.
- iii) The target population to be addressed, including numbers and rationale for selection.
- iv) Identification of the related agencies/organizations the grantee will work collaboratively with and the respective roles of each.
- v) An outcome-oriented evaluation plan that is consistent with the goals and objectives of the project.
- vi) A data collection and reporting system. Non-confidential individualized data along with overall data regarding the status and outcomes of the project shall be made available to the Council.
- vii) Effective strategies to support sustainability and replication once project funding has ended.

d) **Letters of Support**

Attach a minimum of three (3) letters of support from three different entities. Proposers are urged to obtain letters of support from any collaborators working on the project. Each letter shall identify the company/individual's name, address and state the contact person with the telephone number. **Letters of support received from entities that will financially benefit from the grant funding of this project shall not be counted toward the required three letters of support. SCDD members, state departments that have appointed members on SCDD, SCDD Headquarters' and Area Board staff are ineligible to write letters of support.**

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e) Organizational Chart

Provide an organizational chart for the proposed program only. List the names and positions of the personnel listed in your budget. The organizational chart does not need to include the entire agency or institution and:

- i) **Curricula Vitae, Duty Statement, Current Licenses and Credentials**
Where available, provide curricula vitae for each staff person that will be working of the proposal; if staff has not been hired yet, provide duty statements.

f) Cost Proposal Worksheet (Project Budget)(see Attachment #3)

- i) Develop a line item budget for the project. For each itemized category, specify the total project costs and a description of each expense.
- ii) Grant recipients are not required to provide an in-kind match, but are encouraged to do so. In-kind funds are to be identified in the column marked "Other Funds."
- iii) Indirect costs are to be capped at **no more than 12%** of project's total budget

g) Previous grants/awards

List all grants/awards received from other entities in the last two years that benefit individuals with developmental disabilities. This should include the name of project, the funding source, contact person, telephone number and the amount of the grant/award.

h) Attachments #1 - # 5 (see page 26)

F. ADDITIONAL PROPOSAL INFORMATION

1) Disposition of Proposals

Upon proposal opening, all documents submitted in response to this RFP will become the property of the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public. Proposal packages may be returned only at the proposer's expense, unless such expense is waived by SCDD.

2) Agreement Execution and Performance

Service shall start not later than **60** days, or on the express date set by SCDD and the Contractor, after all approvals have been obtained and the agreement is fully executed. Should the Contractor fail to commence work at the agreed upon time, SCDD, upon five (5) days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to the State for the difference between

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Contractor's Proposal price and the actual cost of performing work by another contractor.

3) Data Sharing

As a condition of acceptance of this award, the grantee and their partners will be expected to make available non-confidential data to SCDD, and by SCDD to CECY's independent evaluator. The data to be collected and shared includes demographics on program participants, service delivery partners, strategies and technologies employed, outcome measures, barriers, and best practices.

4) Verification of Proper Information

By submitting a proposal, proposers agree to authorize SCDD to:

- a) Verify any and all claims made by the proposer including, but not limited to verification of prior experience and the possession of other qualification requirements; and
- b) Check any reference identified by a proposer or other resources known by SCDD to confirm the proposer's business integrity and history of providing effective, efficient and timely services.

Proposals that contain false or misleading statements, or provide references, that do not support a claim by the proposer, may be rejected. If a proposer's claims on the Required Attachment/Certification Checklist cannot be verified to SCDD's satisfaction, the proposal will be deemed nonresponsive and rejected from further consideration.

5) SCDD rights

In addition to the rights discussed elsewhere in this RFP, SCDD reserves the following rights:

a) RFP Changes

SCDD reserves the right to do any of the following up to the proposal submission deadline:

- i) Modify any date or deadline appearing in this RFP or the RFP Time Schedule.
- ii) Issue clarification notices, Addenda, alternate RFP instructions, forms, etc.
- iii) Waive any RFP requirement or instructions for all proposers if SCDD determines that the requirement or instruction was unnecessary, erroneous or unreasonable.
- iv) Allow proposers to submit questions about any RFP change, correction or Addenda. If SCDD allows such questions, specific instructions will appear in the cover letter accompanying the document.

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b) Collect Information from Proposers

- i) If deemed necessary, SCDD may request a proposer to submit additional documentation during or after the proposal review and evaluation process. SCDD will advise proposers orally, by fax, email, or in writing of the documentation that is required and the time line for submitting the documentation. SCDD will follow-up oral instructions in writing by fax, email, or mail. Failure to submit the required documentation by the date and time indicated may cause SCDD to deem a proposal nonresponsive.
- ii) SCDD, at its sole discretion, reserves the right to collect, by mail, email, fax or other method; the following omitted documentation and/or additional information:
 - 1) Signed copies of any form submitted without a signature.
 - 2) Data or documentation omitted from any submitted RFP attachment/form.
 - 3) Information/material needed to clarify or confirm certifications or claims made by a proposer.
 - 4) Information/material or form needed to correct or remedy an immaterial defect in a proposal.
- iii) The collection of proposer documentation may cause SCDD to extend the date for posting the Notice of Intent to Award. If SCDD changes the posting date, SCDD will advise the proposers, orally, via email, or in writing, of the alternate posting date.

c) Right to Remedy Errors

SCDD reserves the right to remedy errors caused by:

- i) SCDD office equipment malfunctions or negligence by agency staff,
- ii) Natural disasters (i.e., floods, fires, earthquakes, etc.).
- iii) Any other catastrophic event beyond SCDD's control.
- iv) Waive any RFP requirement or instruction for proposers if SCDD determines that the requirement or instruction was unnecessary, erroneous or unreasonable.

d) No contract award or RFP cancellation

The issuance of this RFP does not constitute a commitment by SCDD to award a contract SCDD reserves the right to reject all proposals and to cancel this RFP if it is in the best interests of SCDD to do so.

e) Contract amendments after award

The SCDD reserves the right to amend the contract after SCDD makes a contract award.

f) Staffing changes after contract award

SCDD reserves the right to approve or disapprove changes in key personnel that occur after SCDD awards the contract.

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g) Withdrawal and/or Resubmission of Proposals

i) Withdrawal deadlines

A proposer may withdraw a proposal at any time before the proposal submission deadline.

ii) Submitting a withdrawal request

Submit a written withdrawal request, signed by an authorized representative of the proposer. An originally signed withdrawal request is generally required before SCDD will return a proposal to a proposer. SCDD may grant an exception if the proposer informs SCDD that a new or replacement proposal will immediately follow the withdrawal.

iii) Resubmitting a proposal

After withdrawing a proposal, proposers may resubmit a new proposal according to the proposal submission instructions. Replacement proposals must be received at the stated place of delivery by the proposal due date and time.

G. PROPOSAL REVIEW AND EVALUATION CRITERIA

At the time of proposal opening, each proposal will be checked for the presence or absence of required information in conformance with the submission requirements of this RFP.

Proposals that are incomplete or contain false or misleading statements will be rejected.

The proposals that meet the minimum qualifications will be evaluated and scored according to the criteria indicated below. A minimum of 85 points must be achieved in this phase to be considered responsive. (A responsive proposal is one which meets or exceeds the requirements stated in this RFP.)

1) Criteria for Program Evaluation

A scoring system will be used during the program evaluation process to rank proposals. A maximum total of **100 points per reviewer** will be awarded based on the following criteria:

- i) Demonstrates how the proposal will achieve increased numbers of youth in integrated competitive employment and/or postsecondary education (20 points);
- ii) Demonstrates how proposed project will reach and serve underserved populations (10 points);
- iii) Extent to which the applicant has experience, knowledge, and demonstrates the ability to accomplish what is being proposed (5 points);
- iv) Demonstrates sound methodology with appropriate timeframe for meeting project goals

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- and objectives. Has a timely and reasonable work plan for meeting goals and objectives (15 points);
- v) Demonstrates in measurable outcomes the impact on the target population, with priority given to those proposals designed to achieve a final tangible outcomes (15 points);
 - vi) Extent to which the proposal demonstrates evidence of interagency collaboration, how the proposal will be integrated with services in the existing service system (10 points);
 - vii) Extent to which the budget is reasonable and appropriate for accomplishing the objectives of the proposal(10 points);
 - viii) Extent to which the proposal identifies realistic strategies for sustainability and replication once project funding has ended (10 points); and
 - ix) Extent to which the reviewer determines that the proposal should be funded in relation to the strength of the other applicants (5 points).

H. AWARD AND PROTEST

- 1) Notice of the proposed award shall be posted in the lobby of SCDD, located at 1507 21st Street, Suite 210, Sacramento, CA 95814, for 5 working days prior to awarding the agreement.
- 2) If any proposer, prior to the award of agreement, files a protest with SCDD at 1507 21st Street, Suite 210, Sacramento, CA 95814, on the grounds that the (protesting) proposer would have been awarded the contract had the agency correctly applied the evaluation standard in the RFP, or if the agency followed the evaluation and scoring methods in the RFP, the agreement shall not be awarded until either the protest has been withdrawn or SCDD has decided the matter. It is recommended that any protest be submitted by certified or registered mail.
- 3) Upon resolution of the protest and award of the agreement, the contractor must complete and submit to the awarding agency the Payee Data Record (STD 204), to determine if the contractor is subject to state income tax withholding pursuant to California Revenue and Taxation Code Sections 18662 and 26131. This form can be found on the Internet at www.osp.dgs.ca.gov under the heading FORMS MANAGEMENT CENTER. No payment shall be made unless a completed STD 204 has been returned to the awarding agency.
- 4) Upon resolution of the protest and award of the agreement, Contractor must sign and submit to the awarding agency, *page one (1)* of the Contractor Certification Clauses (CCC), which can be found on the Internet at www.dgs.ca.gov/contracts.

I. ALLOWABLE AND NON-ALLOWABLE CPDG GRANT COSTS

The purpose of the CPDG program is to provide resources necessary to initiate new programs that are creative, needed and innovative for people with developmental disabilities and their families. These funds may not be used to purchase goods or services for which another

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funding source is available, or to supplant existing funding. Proposal budgets should include all necessary expenses for the applicant to complete their project/program.

- 1) Each line item in the budget will be reviewed by SCDD to determine whether it is allowable and reasonable. SCDD reserves the right to request a revised budget. The following list contains examples of allowable and non-allowable CPDG contract expenditures.
 - Funds cannot be used to purchase real property.
 - Funds cannot be used to purchase childcare vouchers.
 - Funds may be used to modify facilities to meet fire and life safety requirements of the Fire Marshall and/or the local licensing agency. The applicant will be required to submit three bids for any facility modifications.
 - Rent for an office and/or facility is a reimbursable expense, as long as staff funded through the grant is working from the office/facility. The rent should not exceed the rental rates for an equivalent size facility in the geographical area.
 - Any equipment purchased from funds under the terms of this contract is the property of the State Council on Developmental Disabilities. For purposes of CPDG, equipment is considered any item purchased by the contractor that has a unit acquisition cost of at least \$1,000 or a normal useful life of at least three years. The contract must include a detailed inventory of any equipment purchased with CPDG funds. The contractor shall provide a final project equipment inventory to SCDD. This inventory list must accompany the project's final progress report and is due within 45 days of the end of the contract.
 - A written request to purchase equipment is required by the contractor prior to reimbursement for any articles, supplies or equipment exceeding \$1,000 in cost. A written justification request, including the purpose for the purchase and reasonableness of the cost is required prior to authorizing purchases.
 - Equipment may be leased; however, it may not be leased with an option to purchase. The contractor shall provide SCDD with copies of lease agreements for equipment leased during the contract period.

Examples of equipment that may not be purchased or purchased only with prior approval include:

- Motor vehicles may not be purchased. They may be leased during the contract period.
- Computers may only be purchased with prior approval from SCDD.
- Fax machines, VCR, camcorders, and digital cameras may only be purchased with prior approval from SCDD
- Copy machines may not be purchased. However, they may be leased during the contract period.
- Wall-to-wall carpeting is non-allowable. However, area rugs may be purchased.
- Any equipment item that is attached to a facility or vehicle, which cannot be removed in usable condition of the facility or vehicle ease to serve persons with developmental disabilities is non-allowable.
- As a general rule, it can be assumed that equipment with a value under \$1000 will be amortized and no longer property of the State after three years. For

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purposes of CPDG, equipment item costs must be considered in terms of the end usable product, e.g., a bed is considered the sum of the cost of the mattress, box springs and frame. Applicants should contact SCDD on specific issues concerning items over \$1000.

- Funds cannot be used for modifications that are solely aesthetic in nature or are not necessary to meet fire and life safety requirements.
- CPDG funds shall not be used to purchase food for participants at CPDG sponsored conferences, trainings, seminars or workshops, however can be used for registration fees.

2) Supplies:

- Only reasonable, necessary, and allowable costs incurred for "supplies to carry out this contract agreement may be billed to SCDD in accordance with the contract agreement and applicable federal regulation cost principles, subject to the non- allowable items listed on pages 10-11.
- General office supplies (e.g., paper, pens, etc.) must be purchased only in amounts reasonably expected to be utilized during the term of and in the performance of the contract agreement.
- Title to all supplies rest with the contractor upon acquisition. All supplies used shall not be included as depreciable equipment/property.
- The contractor must properly account for the supply items purchased with federal funds regarding the usage and disposition of inventory requirements as applicable to their organization. (34 CFR 74.35 or 34 CFR 80.33)
- For any purchase of a supply item with a useful life of more than one year (i.e., computers, printers, laptops, software, fax machines), the following shall be provided:
- A general description of the purchase or expected purchase must be written in the budget narrative, to include an explanation to why items are necessary for the provisions of services in the contract. Note: Prior authorization is required for any purchase order exceeding \$2,500 subject to the necessity or desirability of incurring such cost. (SCM 3.17.2 D)
- If the supply item is initially budgeted in the contract agreement, the purchase should occur as soon as possible so that item can be used effectively during the term of the contract agreement.
- If the supply item is used for multiple programs, the contractor must determine an appropriate allocation of the purchase cost billable to the contract agreement based on the usage between the programs.
- If the supply item did not initially get budgeted into the current contract agreement, the budget narrative must be amended to include the supply item being purchased and submitted as a contract amendment for approval to the SCDD contract officer.

3) Travel and Per Diem Rates Information

If your proposal has a travel and/or mileage line item, you must be knowledgeable on the contract terms regarding travel and per diem. All travel expenses and per diem rates

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paid to its employees for expenses incurred for contract services can only be reimbursed by SCDD for actual costs not to exceed the Department of Personnel Administration (DPA) designated rates. Further, **no expense for travel outside of the State of California shall be reimbursed.**

The State's travel and per diem rates may change periodically; therefore, these rates will not be specifically identified in the contract. To obtain the most current travel and per diem rates go to the DPA website at <http://www.dpa.ca.gov/jobinfo/statetravel.shtml>

If the organization's travel and per diem rates exceed the DPA rates, the contractor must compute the allowable Travel and/or Mileage costs using the DPA rates in order to identify the expenses to invoice SCDD. The computation worksheet must be retained to support the invoiced expenses.

To facilitate consistent processing within your organization's internal control policies, contract staff should utilize existing travel/mileage claim forms approved for use by all organization employees. To support the travel/per diem expenses submitted to SCDD under the contract, the expenses must be properly supported by documentation that includes at least the following elements:

- i) Basic travel/mileage claim information and supporting receipts (dates of travel, destination, mileage, meal costs, airfare costs, etc.) in accordance with your organization's travel policies and procedures.
- ii) Sufficient adequate detail of travel purpose which supports reimbursements for the performance of services as defined in the contract scope of work, including the contract service and a listing of the specific consumers and/or other/additional information, as applicable, for which the travel or mileage expenses were incurred (either on the travel/mileage claim form or an alternative supporting document that is maintained separate from the travel claim by the program administrator).
- iii) Travel and/or mileage costs invoiced to SCDD must be consistent with the organization's travel policy and/or DPA rates, and submitted on the correct contract budget line item consistent with above requirements.

Documentation of the allocation of travel/mileage costs to the appropriate programs/funding sources in the accounting records.

- 4) Consultants' rates must conform to 1) the Schedule of Maximum Allowances for positions covered by that schedule; 2) comparable state civil service positions; or if the above are not applicable, 3) to the going rate for similar work outside state service.
- 5) Costs related to disseminating information about project outcomes can only be included in the funding request if this expense is to be incurred during the term of the contract period.
- 6) No staff person can be committed to more than 100% of that person's time. SCDD reserves the right to verify and determine reasonableness of staff time committed to other jobs/projects.

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- 7) Code of Federal Regulations cost principles also includes additional non-allowable expenses that may not be included in this section. Refer to the applicable 2 CFR part for your organization for more information by using this link:
<http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1>

J. CPDG/STATE CONTRACTING REQUIREMENTS/PROVISIONS

This section contains the standard agreement language that pertain to services and budgetary/payment provision requirements in the CPDG contract. Provisions in the contract are subject to change.

1) Scope of Work - Contractor agrees to do the following:

- a) Provide SCDD with the services as described in the proposal.
- b) Work and cooperate with SCDD on dissemination/project replication.
- c) Monitor and report all fiscal expenditures and program activities to ensure contract compliance.

2) Budget Detail and Payment Provision

- a) Invoicing and Payment - The maximum amount payable under this agreement shall not exceed the amount awarded by SCDD. The contract language shall include the contract amount, the services that will be provided, and the dates the contract's beginning and ending dates.
- b) For services satisfactorily rendered, and upon receipt and approval of the invoice(s), and progress and outcome report(s) for the period covered, SCDD agrees to reimburse the Contractor for said services in accordance with Attachment 5, Budget.
- c) Invoices shall be submitted on the Invoice Form provided by SCDD. All invoices must be submitted with a progress report. Invoices shall be submitted not more frequently than monthly or less than quarterly in arrears to:

Kristie Allensworth
California State Council on Developmental Disabilities
Community Program Development Grant
1507 21st Street, Suite 210
Sacramento, CA 95811

- d) Progress reports are to be submitted using the SCDD web-based reporting program, DD Suite and must be current for SCDD to process an invoice. SCDD will provide the contractor with access to DD Suite. SCDD will not process the final invoice until all Progress and Outcome reports, and items/products listed in the contract have been received by SCDD.

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3) State Budget Contingency Clause

- a) It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this contract does not appropriate sufficient funds for the program, this contract shall be of no further force and effect. In this event, SCDD shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this contract and Contractor shall not be obligated to perform any provisions of this contract.
- b) If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, SCDD shall have the option to either cancel this contract with no liability occurring to SCDD, or offer a contract amendment to Contractor to reflect the reduced amount.

4) Contracts with Federal Funds

- a) It is mutually understood between the parties that this contract may have been written before ascertaining the availability of Congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the contract were executed after that determination was made.
- b) This contract is valid and enforceable only if the United States Government makes sufficient funds available to SCDD, for the term of this contract and for the purposes of this proposal. In addition, this contract is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms, or funding of this contract in any manner.
- c) It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this contract shall be amended to reflect any reduction in funds.
- d) By notification in writing, either party has the option to void the contract under the 30-day cancellation clause or amend the contract to reflect any reduction of funds.

5) Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

6) Review

SCDD or acting agent reserves the right to review service levels and billing procedures as they impact charges against this contract.

7) Final Billing

Final billing, reports, and products for services must be received by SCDD

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within 45 days following the end of the contract.

8) Funding Source

Contractor agrees it shall not bill any other funding source for the services provided to consumers funded under this contract.

9) Contract Budget Changes

Contractor shall request in writing to SCDD all proposed transfers between individual line items and additions or deletions of line items. Such requests shall contain an explanation of the need for the change, identification of the line items to be changed and a revised Budget. Any changes cannot be made prior to SCDD written approval. SCDD reserves the right to deny any request for line item transfers, additions or deletions. Contractor understands that in no event shall the maximum amount payable exceed the maximum amount specified in this contract. The program element of the contract is approved by SCDD, any budget changes request that will change the program element will not be approved.

10) Expenditure Restrictions

- a) Notwithstanding any terms to the contrary, no provision of the contract shall be interpreted to authorize expenditures or reimbursements for items not strictly in conformance with appropriate state or federal guidelines.
- b) Department of General Services requires that SCDD provide "Exhibit C. General Terms and Conditions" language to be included as part of the Standard Agreement contract. Proposers must review this document to ensure that they will be able to comply with the requirements. The exhibit is available on the Internet at www.dgs.ca.gov/contracts and may be downloaded and printed for your files. If you do not have Internet capabilities, please contact SCDD for a hard copy of the document.

11) Dispute Provisions

If the contractor disputes a decision of the Contract Manager regarding the performance of this contract or on other issues for which the Contract Manager is authorized, by this contract, to make a binding decision, the contractor shall provide written dispute notice to Contract Manager within fifteen (15) calendar days after the date of the action. The written dispute notice shall contain the following information:

- a) The decision under dispute;
- b) The reason(s) contractor disputes the decision of the Contract Manager (if applicable, reference pertinent contract provisions);
- c) Identification of all documents and substance of all oral communication which support contractor's position; and
- d) The dollar amount in dispute, if applicable.

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Upon receipt of the written dispute notice, SCDD's Executive Director will examine the matter and issue a written decision to the contractor within twenty (20) working days. The decision of the Executive Director shall contain the following information:

- a) A description of the dispute;
- b) A reference to pertinent contract provisions, if applicable;
- c) A statement of the factual areas of agreement or disagreement;
- d) Proposal a possible resolution to the dispute; and
- e) Provide a final decision regarding the dispute.

The decision of SCDD's Executive Director shall be final unless, within thirty - (30) calendar days from the date of receipt of the decision, the contractor files with the California State Council on Developmental Disabilities a notice of appeal, in accordance with Title 1, California Code of Regulations, Section 251, et. Seq., and addressed to:

Attention: Chairperson, Executive Committee
California State Council on Developmental Disabilities
1507 21st Street, Suite 210
Sacramento, CA 95811

Pending resolution of any dispute, the contractor shall diligently continue all contract work and comply with all of the representative's orders and directions. The decision of SCDD or its designee shall be final.

12) Termination of Contract

The contract may be terminated with or/without cause by SCDD or the contractor, upon providing a 30-day written notice to the other party. If the contract is terminated prior to completion any/all equipment purchased through this contract will be returned to SCDD.

13) Debarment and Suspension

For federally funded contracts in the amount of \$100,000 or more, the contractor agrees to certify that he/she and their principals are not debarred or suspended from federal financial assistance programs and activities. The contractor agrees to sign and return to SCDD the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Transactions." If applicable, a copy of this form is being forwarded to the Contractor with this contract. (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17).

14) Certification Regarding Lobbying

For contracts with contractors who are State entities not under the authority of the Governor, or cities, private firms or agencies that are receiving in excess of \$100,000 in federal funds from SCDD to perform services, the contractor agrees to sign and submit to SCDD the 'Certification Regarding Lobbying' form with this contract. (Section 1352, Title 31 of the U.S. Code).

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15) Patents and Copyrights

The contractor agrees that any and all products or any other object or deliverable produced under this contract are the property of SCDD. Reproduction of these products, objects, or deliverables cannot be made without the express written approval of SCDD. Credit for these deliverables will be acknowledged as follows: "This Product was made possible by funding from the California State Council on Developmental Disabilities awarded to (insert provider's name) Copyright California State Council on Developmental Disabilities. All Rights Reserved." Anything produced pursuant to this contract that may be patented or copyrighted is the sole property of SCDD whether or not a patent or copyright is applied for or received by any other party or person.

16) Subcontractors

If contractor proposes to subcontract any services required under this contract, the contractor shall submit any such proposal/MOU/contracts to the Contract Manager for review and written approval prior to initiation of the work by the subcontractor. Notwithstanding any subcontracting permitted by SCDD, the contractor shall be solely liable for any failure of performance required by this contract. All subcontractors shall be required by contractor to meet or exceed any and all provisions of this contract.

17) Insurance Requirements

Prior to the contract approval, the contractor, other than a self insured public entity, shall furnish to SCDD, Certificate(s) of Insurance stating that there is liability insurance presently in effect covering all of contract's activities under this contract as appropriate of not less than \$1,000,000 per occurrence. The Certificate of Insurance will provide that:

- a) The insurer will not cancel the insured's coverage without thirty-days (30) prior written notice to SCDD.
- b) SCDD, the Federal Administration on Developmental Disabilities, its officers, employees, and agents are included as additional named insureds, but only insofar as the operations under this contract are concerned.
- c) Contractor agrees that the liability insurance herein provided for shall be in effect at all times during the term of this contract. In the event said insurance coverage expires at any time or times during the term of this contract, the contractor agrees to provide at least thirty (30) days prior to said expiration date a new Certificate of Insurance evidencing insurance coverage as provided herein for not less than one (1) year. In the event the contractor fails to keep in effect at all times insurance coverage as herein provided, SCDD may, in addition to any other remedies it may have, terminate this contract upon the occurrence of such event. The contractor expressly agrees that it shall carry all other forms of insurance as appropriate to its operations or as required by law, such as but not limited to Workers' Compensation Insurance.

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18) Reporting Requirements

Contractor shall agree to the following reporting requirements:

- a) Submission of written monthly or quarterly progress reports, using DD Suite . These reports shall include, but not be limited to: whether the project is on schedule, address issues related to project operations and supervision, and afford opportunities for airing difficulties or special problems encountered so that remedies can be developed quickly. SCDD reserves the right to withhold payment on invoices submitted until an acceptable report is received;
- b) Submission of a written final report in a format and manner prescribed by SCDD, within 45 days after contract completion or termination. This final report shall include but not be limited to a camera-ready or master copy of any materials covered under Item 7 developed in the performance of this contract and shall be comprehensive and include problems and solutions encountered during the contract term; and
- c) Submission of other reports as may be required by SCDD.

19) Project Change

Contractor shall immediately notify SCDD when any part of the contract becomes inoperative or requires change(s). Contractor may submit a written request to SCDD for a change(s) in the project, but shall not implement any changes prior to written SCDD approval in accordance with this contract, state laws, federal laws, policies, and procedures including the approval of the Department of General Services if required. Such request shall include, but not be limited to, a complete justification and description of how the change(s) will affect the program as outlined in the contract and the intended outcomes. SCDD reserves the right to deny any such request for change(s). Under no circumstances can the budget changes exceed the total amount of the contract authorized by SCDD.

20) Project Evaluation

Evaluation of the project shall be in accordance with procedures established by SCDD.

21) Software Certification

If applicable, Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this contract for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

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K. RESTRICTIONS ON OUTSIDE EMPLOYMENT OF STATE EMPLOYEES

1) Current State Employees

No officer or employee in the state civil service or other appointed state official shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or in which the officer or employee has a financial interest and which is sponsored and/or funded by any state agency or department through or by a state contract unless the employment, activity, or enterprise is required as a condition of other officer's or employee's regular state employment. No officer or employee in the state civil service shall contract on his or her own individual behalf as an independent contractor with any state agency to provide services or goods. (Public Contract Code 10411)

2) Former State Employees

No retired, dismissed, separated, or formerly employed person of any state agency or department employed under the state civil service or otherwise appointed to serve in state government may enter into a contract in which he or she is engaged in any of the negotiations, transactions, planning, arrangements, or any part of decision-making relevant to the contract while employed in any capacity by any state agency or department. The prohibition of this subdivision shall apply to a person only during the two-year period beginning on the date the person left state employment.

For a period of 12 months following the date of his or her retirement, dismissal, or separation from state service, no person employed under state civil service or otherwise appointed to serve in state government may enter into a contract with any state agency, if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her retirement, dismissal, or separation. The prohibition of this subdivision shall not apply to a contract requiring the person's services as an expert witness in a civil case or to a contract for the continuation of an attorney's services on a matter he or she was involved with prior to leaving state service. (Public Contract Code 10411)

3) Conflict with Present State Employees

A state officer or employee shall not engage in any employment, activity, or enterprise which is clearly inconsistent, incompatible, in conflict with, or inimical to his or her duties as a state officer or employee. (Government Code 19990)

L. REQUIRED ATTACHMENTS

A complete proposal or proposal package will include the following items as attachments. Complete this checklist to confirm the items in your proposal. Place a check mark or "X" next to each item that you are submitting to the State. For your proposal to be responsive, all required attachments must be returned. This checklist should be returned with your proposal package also.

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ATTACHMENT 1

Attachment Checklist

Attachment #	Attachment Name/Description
Attachment 1	Required Attachment Check List
Attachment 2	Proposal/Proposer Certification Sheet
Attachment 3	Cost Proposal Worksheet
Attachment 4	Payee Data Record (STD 204) The Payee Data Record can be found on the Internet at www.documents.dgs.ca.gov/osp/pdf/std204.pdf .
Attachment 5	Contractor Certification Clauses (CCC). The CCC can be found on the Internet at www.ols.dgs.ca.gov/Standard+Language .

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ATTACHMENT 2

Proposal/Proposer Certification Sheet

This must be signed and returned along with all the "required attachments" as an entire package in duplicate with original signatures. The proposal must be transmitted in a sealed envelope in accordance with RFP instructions.

Completion Instructions for Proposal/Proposer Certification Sheet

Complete the numbered items on the Proposal/Proposer Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Must be completed. These items are self-explanatory.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being

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	procured.
10,11 12, 13	Must be completed. These items are self-explanatory.
14	If certified as a California Small Business, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSBCR.

Proposer Certification Sheet

1. Company Name	2. Telephone Number ()	2a. Fax Number ()
3. Address		
Indicate your organization type: 4. <input type="checkbox"/> Sole Proprietorship 5. <input type="checkbox"/> Partnership 6. <input type="checkbox"/> Corporation		
Indicate the applicable employee and/or corporation number: 7. Federal Employee ID No. (FEIN) 8. California Corporation No.		
9. Indicate applicable license and/or certification information:		
10. Proposer's Name (Print)	11. Title	
12. Signature	13. Date	
14. Are you certified with the Department of General Services, Office of Small Business Certification and Resources (OSBCR) as: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> a. California Small Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____ </div> <div style="width: 45%;"> b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____ </div> </div>		
NOTE: A copy of your Certification is required to be included if either of the above items is checked Date application was submitted to OSBCR, if an application is pending: _____		

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ATTACHMENT 3

Cost Proposal Worksheet

Line Item	2013	Other Costs	2014 (if proposed)	Other Costs	Total
A. Personnel Services					
Salaries hours x hourly rate (list all staff)					
Temporary Help					
Staff Benefits					
Total Personnel Services					
B. Consultants/Subcontractors (Costs Itemized)					
Total Subcontractors					
C. Travel Costs					
Travel related to contract					
Total Travel Costs					
a. Operating Costs (Not included in Administrative Overhead E.) (Itemize each line item)					
Total Operating Costs					
E. Administrative Overhead (no more than 12%)					
TOTAL CONTRACT					

COUNCIL AGENDA ITEM DETAIL SHEET

BILL NUMBER/ISSUE: SB 1186: Special access: liability.

SUMMARY: Sponsored by the authors, this bill would:

- Require an attorney to provide a written advisory to a building owner or tenant with each complaint or settlement demand for all accessibility claims. The requirement to provide the written advisory would apply where the attorney or party has filed a complaint in state or federal court on the basis of one or more construction-related accessibility claims.
- Prohibit an attorney or other person from issuing a “Demand for Money” to a building owner or tenant, or an agent or employee of a building owner or tenant, or from receiving any payment settlement, compensation, or other remuneration pursuant to a demand for money that is provided or issued without or prior to the filing of complaint on the basis of one or more construction-related accessibility violations, as specified.
- Assert that a violation of these requirements may subject the attorney to disciplinary action.

BACKGROUND: Existing federal law, the ADA, provides that no individual shall be discriminated against on the basis of disability. Persons with a disability have the right to full and equal enjoyment of the goods, services, facilities, privileges, advantages, or accommodations of any place of public accommodation by any person who owns, leases, or operates a place of public accommodation. According to ADA persons with disabilities have the right to start a civil action if the responsible party fails to remove the structural barriers to entry into existing public accommodations.

Existing California law, the Unruh Civil Rights Act, declares that all persons, regardless of sex, race, color, religion, ancestry, national origin, disability or medical condition, are entitled to the full and equal accommodations, advantages, facilities privileges, or services in all business establishments of every kind whatsoever. A violation of the ADA also constitutes a violation of Unruh. The violation of this section is subject to actual damages incurred by an injured party, treble actual damages but not less than \$4,000, and any attorney's fees as the court may determine to be proper.

ANALYSIS/DISCUSSION: The new version of SB 1186 is a departure from the original bill and here the emphasis is on problem solving by involving various parties including the owner of the building, the business owner, tenant, Certified Access Specialist, the attorney to the aggrieved party, etc. However, it does not resolve the main problem that is putting a small number of offending attorneys and their clients in the same category with the majority of people with disabilities who have not been involved in nor benefitted from such litigations. This bill as it is written would subject all people with disabilities, including those with legitimate reasons for a lawsuit to unfair treatment in pursuing civil actions and acting to enforce their own civil rights. See attached Senate Judiciary analysis for greater detail on the author's intent and response from several advocacy organizations.

COUNCIL STRATEGIC PLAN OBJECTIVE: Goal #13: Individuals with developmental disabilities and their families have access to community based services and supports available to the general population (such as recreation, transportation, childcare, etc.) that enable them to live productive and inclusive lives.

PRIOR COUNCIL ACTIVITY: The Council has opposed similar legislation in the past since it creates legal barriers for persons with disabilities when attempting to achieve integration into community life.

LPPC RECOMMENDATION: Oppose SB 1186, because it establishes a different standard for people with disabilities to enforce their civil rights.

According to the Senates Rules Committee staff, this bill is set for hearing in the Assembly Judiciary on July 3rd. The 30-day notice of violation provision has been deleted for the time being.

ATTACHMENT: SB 1186

PREPARED: Karim Alipourfard June 21, 2012

AMENDED IN ASSEMBLY JUNE 20, 2012

AMENDED IN SENATE MAY 16, 2012

AMENDED IN SENATE APRIL 30, 2012

SENATE BILL

No. 1186

**Introduced by Senators Steinberg and Dutton
(Coauthors: Senators Cannella and Gaines)**

February 22, 2012

An act to amend Section 55.3 of, and to add Sections 55.31 and 1938 to, the Civil Code, and to amend Section 8299.05 of the Government Code, relating to disability access.

LEGISLATIVE COUNSEL'S DIGEST

SB 1186, as amended, Steinberg. Disability access: liability.

Existing law requires an attorney to provide a written advisory to a building owner or tenant with each demand for money or complaint for any construction-related accessibility claim, as specified. The requirement to provide the written advisory applies whether or not the attorney intends to file a complaint or eventually files a complaint in state or federal court. A violation of this requirement may subject the attorney to disciplinary action.

This bill would, instead, require an attorney to provide a written advisory to a building owner or tenant with each complaint or settlement demand for any construction-related accessibility claim, as specified. The requirement to provide the written advisory would apply where the attorney or party has filed a complaint in state or federal court on the basis of one or more construction-related accessibility claims.

~~This bill also would prohibit an attorney or other person from issuing a demand for money to a building owner or tenant, or an agent or~~

~~employee of a building owner or tenant, or from receiving any payment, settlement, compensation, or other remuneration pursuant to a demand for money that is provided or issued without or prior to the filing of a complaint on the basis of one or more construction-related accessibility violations, as specified. The bill would require an attorney to provide to a building owner or tenant, or an agent or employee of a building owner or tenant, a document that notifies the recipient of any alleged construction-related accessibility violation that may be a basis for a damages claim at least 30 days prior to filing any claim for damages based on an alleged construction-related accessibility violation or violations, except in a case solely seeking injunctive relief. The~~

The bill would provide that a violation of these requirements may subject the attorney to disciplinary action.

Existing law requires the State Architect to develop and submit for approval and adoption building standards for making buildings, structures, sidewalks, curbs, and related facilities accessible to, and usable by, persons with disabilities, as specified. Existing law provides for the inspection of places of public accommodation by certified access specialists to determine if the sites meet all applicable construction-related accessibility standards, and the provision of specified certificates and reports regarding those inspections. Existing law regulates the hiring of real property.

This bill would require a commercial property owner to state on a lease form or rental agreement if the property being leased or rented has been inspected by a certified access specialist.

Existing law establishes the California Commission on Disability Access to develop recommendations that will enable persons with disabilities to exercise their right to full and equal access to public facilities, and that will facilitate business compliance with disability access laws and regulations to avoid unnecessary litigation. Existing law requires the commission to study specified disability access issues, and to make reports on those issues to the Legislature.

This bill would provide that the functions and responsibilities of the commission include the concurrent and prospective review of legislative measures, including this measure, and recommendations on any additional ideas or options to promote disability access and reduce unnecessary litigation.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 55.3 of the Civil Code is amended to
2 read:

3 55.3. (a) For purposes of this section, the following shall apply:

4 (1) “Complaint” means a civil complaint that is filed with a
5 court and is sent to or served upon a defendant on the basis of one
6 or more construction-related accessibility claims, as defined in
7 this section.

8 (2) “Settlement demand” means a written document or oral
9 statement that is provided to a building owner or tenant, or an agent
10 or employee of a building owner or tenant, that contains a request
11 for money on the basis of one or more construction-related
12 accessibility claims, as defined in paragraph (3), where the attorney
13 or party has filed a complaint or eventually files a complaint in
14 state or federal court on the basis of one or more
15 construction-related accessibility claims.

16 (3) “Construction-related accessibility claim” means any claim
17 of a violation of any construction-related accessibility standard,
18 as defined by paragraph (6) of subdivision (a) of Section 55.52,
19 with respect to a place of public accommodation.
20 “Construction-related accessibility claim” does not include a claim
21 of interference with housing within the meaning of paragraph (2)
22 of subdivision (b) of Section 54.1, or any claim of interference
23 caused by something other than the construction-related
24 accessibility condition of the property, including, but not limited
25 to, the conduct of any person.

26 (b) An attorney shall provide a written advisory with each
27 complaint or settlement demand sent to or served by him or her
28 upon a defendant, in the form described in subdivision (c), and on
29 a page or pages that are separate and clearly distinguishable from
30 the complaint or settlement demand, as follows:

31
32 IMPORTANT INFORMATION FOR BUILDING OWNERS
33 AND TENANTS
34

35 This form is available in English, Spanish, Chinese, Vietnamese,
36 and Korean through the Judicial Council of California. Persons
37 with visual impairments can get assistance in viewing this form

1 through the Judicial Council Internet Web site at
2 www.courts.ca.gov.

3 Existing law requires that you receive this information because
4 the complaint or settlement demand you received with this
5 document claims that your building or property does not comply
6 with one or more existing construction-related accessibility laws
7 or regulations protecting the civil rights of persons with disabilities
8 to access public places.

9 YOU HAVE IMPORTANT LEGAL OBLIGATIONS.
10 Compliance with disability access laws is a serious and significant
11 responsibility that applies to all California building owners and
12 tenants with buildings open for business to the public. You may
13 obtain information about your legal obligations and how to comply
14 with disability access laws through the Division of the State
15 Architect. Information is also available from the California
16 Commission on Disability Access at www.ccda.ca.gov/guide.htm.

17 YOU HAVE IMPORTANT LEGAL RIGHTS. You are not
18 required to pay any money unless and until a court finds you liable.
19 Moreover, RECEIPT OF THIS ADVISORY DOES NOT
20 NECESSARILY MEAN YOU WILL BE FOUND LIABLE FOR
21 ANYTHING.

22 You may wish to promptly consult an attorney experienced in
23 this area of the law to get helpful legal advice or representation in
24 responding to the complaint or settlement demand you received.
25 You may contact the local bar association in your county for
26 information on available attorneys in your area. If you have
27 insurance, you may also wish to contact your insurance provider.
28 You have the right to seek assistance or advice about this complaint
29 or settlement demand from any person of your choice, and no one
30 may instruct you otherwise. Your best interest may be served by
31 seeking legal advice or representation from an attorney.

32 If a complaint has been filed and served on you and your property
33 has been inspected by a Certified Access Specialist (CAsp; see
34 www.dgs.ca.gov/dsa/Programs/programCert/casp.aspx), you may
35 have the right to a court stay (temporary stoppage) and early
36 evaluation conference to evaluate the merits of the
37 construction-related accessibility claim against you pursuant to
38 Civil Code Section 55.54. At your option, you may be, but need
39 not be, represented by an attorney to file a reply and to file an
40 application for a court stay and early evaluation conference. If you

1 choose not to hire an attorney to represent you, you may obtain
2 additional information about how to represent yourself and how
3 to file a reply without hiring an attorney through the Judicial
4 Council Internet Web site at www.courts.ca.gov/selfhelp-start.htm.
5 You may also obtain a form to file your reply to the lawsuit, as
6 well as the form and information for filing an application to request
7 the court stay and early evaluation conference at that same Internet
8 Web site.

9 If you choose to hire an attorney to represent you, the attorney
10 who sent you the complaint or settlement demand is prohibited
11 from contacting you further unless your attorney has given the
12 other attorney permission to contact you. If the other attorney does
13 try to contact you, you should immediately notify your attorney.
14

15 (c) On or before July 1, 2009, the Judicial Council shall adopt
16 a form that may be used by attorneys to comply with the
17 requirements of subdivision (b). The form shall be in substantially
18 the same format and include all of the text set forth in subdivision
19 (b). The form shall be available in English, Spanish, Chinese,
20 Vietnamese, and Korean, and shall include a statement that the
21 form is available in additional languages, and the Judicial Council
22 Internet Web site address where the different versions of the form
23 may be located. The form shall include Internet Web site
24 information for the Division of the State Architect and the
25 California Commission on Disability Access.

26 (d) Subdivision (b) shall apply to a complaint or settlement
27 demand made by an attorney. Nothing in this section is intended
28 to affect the right to file a civil complaint under any other law or
29 regulation protecting the physical access rights of persons with
30 disabilities.

31 (e) This section shall not apply to any action brought by the
32 Attorney General, or by any district attorney, city attorney, or
33 county counsel.

34 SEC. 2. Section 55.31 is added to the Civil Code, to read:

35 55.31. (a) "Demand for money" means a written document or
36 oral statement that is provided or issued to a building owner or
37 tenant, or an agent or employee of a building owner or tenant, that
38 meets all of the following requirements:

39 (1) Alleges one or more construction-related accessibility
40 violations as the basis of one or more construction-related

1 accessibility claims, as defined in paragraph (3) of subdivision (a)
2 of Section 55.3.

3 (2) Contains or makes a request for money, or states or implies
4 that the building owner or tenant is liable for damages or attorney's
5 fees, or both, on the basis of one or more construction-related
6 accessibility violations.

7 (3) Is provided or issued without or prior to the filing of a
8 complaint in state or federal court on the basis of one or more
9 construction-related accessibility violations.

10 (b) An attorney or person shall not issue a demand for money
11 to a building owner or tenant, or an agent or employee of a building
12 owner or tenant, or receive any payment, settlement, compensation,
13 or other remuneration pursuant to a demand for money, as defined
14 in subdivision (a).

15 ~~(c) An attorney shall provide to a building owner or tenant, or~~
16 ~~an agent or employee of a building owner or tenant, a document~~
17 ~~that notifies the recipient of any alleged construction-related~~
18 ~~accessibility violation that may be a basis for a damages claim at~~
19 ~~least 30 days prior to filing any claim for damages based on an~~
20 ~~alleged construction-related accessibility violation or violations.~~
21 ~~Nothing in this document or any document accompanying the~~
22 ~~document shall demand or request any money to settle or forgo a~~
23 ~~claim or potential claim for damages based upon an alleged~~
24 ~~violation or violations, or state or imply the building owner's or~~
25 ~~tenant's liability for damages or attorney's fees, or both, on the~~
26 ~~basis of the alleged construction-related accessibility violation or~~
27 ~~violations identified in the notice. This requirement shall apply~~
28 ~~whether the attorney intends to file in state or federal court. This~~
29 ~~subdivision shall not apply in a case solely seeking injunctive~~
30 ~~relief.~~

31 ~~(d)~~

32 ~~(c)~~ A violation of subdivision (b) ~~or (e)~~ shall be cause for the
33 imposition of disciplinary action against an attorney.

34 SEC. 3. Section 1938 is added to the Civil Code, to read:

35 1938. A commercial property owner shall state on the lease
36 form or rental agreement if the property being leased or rented "is
37 CASp-inspected" or "is not CASp-inspected." For the purpose of
38 this section, "CASp-inspected" is defined in paragraph (4) of
39 subdivision (a) of Section 55.52.

1 SEC. 4. Section 8299.05 of the Government Code is amended
2 to read:

3 8299.05. (a) The commission shall study and make reports to
4 the Legislature on the following:

5 (1) Issues regarding compliance with state laws and regulations
6 that are raised by either persons with disabilities or businesses,
7 and any recommendations that would promote compliance.

8 (2) Whether public and private inspection programs, including
9 the Certified Access Specialist Program, are meeting the needs of
10 both the business community and the disability community,
11 including by the provision of timely, competent inspections that
12 properly identify violations and recommend appropriate remedial
13 measures.

14 (3) Whether existing training and continuing education
15 requirements for personnel involved in designing, plan checking,
16 building, or inspecting a structure are sufficient to provide the
17 personnel with sufficient knowledge of the state and federal
18 disability access laws and regulations.

19 (4) Whether training and continuing education requirements
20 should be enacted for landscape architects, professional engineers,
21 and contractors to provide these professionals with sufficient
22 knowledge of the state and federal disability access laws and
23 regulations. This study and report shall be completed and delivered
24 to the Legislature no later than January 1, 2011.

25 (b) (1) The commission shall act as an information center on
26 the status of compliance in California with state laws and
27 regulations providing persons with disabilities full and equal access
28 to public facilities. To this end, it shall publish a biennial report,
29 which may be combined with the biennial report required in
30 odd-numbered years pursuant to subdivision (e), on the state of
31 disability access compliance by both the public and private sector.
32 The report shall be written in general terms and shall not identify
33 any particular violators.

34 (2) The commission shall, to the extent feasible, coordinate with
35 other state agencies and local building departments to ensure that
36 information provided to the public on disability access requirements
37 is uniform and complete.

38 (c) The functions and responsibilities of the commission include
39 the concurrent and prospective review of legislative measures,
40 including Senate Bill 1186 of the 2011–12 Regular Session of the

1 Legislature, and recommendations on any additional ideas or
2 options to promote disability access and reduce unnecessary
3 litigation.

4 (d) The commission may recommend, develop, prepare, or
5 coordinate materials, projects, or other activities, as appropriate,
6 relating to any subject within its jurisdiction.

7 (e) The commission shall provide, within its resources, technical
8 information regarding any of the following:

9 (1) Preventing or minimizing problems of compliance by
10 California businesses by engaging in educational outreach efforts
11 and by preparing and hosting on its Internet Web site a Guide to
12 Compliance with State Laws and Regulations Regarding Disability
13 Access Requirements.

14 (2) Recommending programs to enable persons with disabilities
15 to obtain full and equal access to public facilities.

16 (f) The commission shall make reports on its activities, findings,
17 and recommendations to the Legislature from time to time, but not
18 less often than once during every odd-numbered year, on or before
19 May 1 of that year, commencing in 2011.

20 SEC. 5. It is the intent of the Legislature to do all of the
21 following:

22 (a) Examine the federal and state laws that provide persons with
23 disabilities the right to full and equal access to places of public
24 accommodation, and to address any conflict between those laws
25 in construction-related accessibility standards that may lead to
26 unnecessary litigation.

27 (b) Facilitate compliance by increased education regarding the
28 accessibility laws, including requiring the California Commission
29 on Disability Access to develop tools for use by businesses and
30 building inspectors, and to post those tools on its public Internet
31 Web site to facilitate greater compliance.

32 (c) Examine measures that would lead to greater compliance,
33 to the benefit of both business and the disability community
34 through reducing litigation and improving access for the disabled,
35 without discouraging early compliance efforts and without affecting
36 the right to sue for uncorrected and other violations. This effort
37 shall examine and address issues many small businesses face from
38 litigation and tactics pursued primarily for private gain under the

- 1 state and federal disability access laws, rather than to rectify a
- 2 disability access violation.

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COUNCIL AGENDA ITEM DETAIL SHEET

BILL NUMBER/ISSUE: SB 1051 – Reports of death, injury and abuse in developmental centers

BILL SUMMARY: Sponsored by Disability Rights California, this bill would: 1) require the Department of Justice (DOJ) to include data regarding a crime victim's self report of disability status in the crime victim's statistics, 2) require that the Department of Developmental Services (DDS) employ a Chief of the Office of Protective Service, who shall also be known as the Director of Protective Services with specified qualifications [shall be POST certified, law enforcement officer, etc.], 3) require that the Director of Protective Services be appointed by, and serve at the pleasure of the Secretary of the California Health and Human Services Agency (CHHSA), 4) require DDS and the new Department of State Hospitals (DSH) (mental health facilities) to report to Disability Rights California (DRC) within one day any unexpected or suspicious death, sexual assault or any report made to local law enforcement, and 5) required mandated reporters employed by DDS to immediately report suspected abuse to the Office of Protective Services or to the local law enforcement agency.

BACKGROUND: Recently, there has been a significant amount of discussion and some press coverage regarding the protection of individuals from abuse and how allegations of abuse are reported and investigated at developmental centers.

Senators Liu and Emmerson held a hearing regarding this issue in March 2012 to hear from the Department of Justice, Department of Developmental Services, police officer union and individuals and family members.

ANALYSIS/DISCUSSION: This bill is one of several bills this legislative session attempting to address possible abuse and neglect. In terms of strengthening the reporting requirements and investigation, this bill does very little. In fact, the only change in reporting requirements is that DRC will be notified no later than one business day after any report is made and secondly, individuals could self-report their disability to be included in the DOJ crime statistics.

This bill does address several concerns held by the police officers and others as the proposed newly established Director of Protective Service will be a POST certified, law enforcement officer with experience and training in management. This requirement may address some of the concerns expressed during the hearing regarding the lack of training and experience of former directors of this office.

It is unclear who will supervise the proposed newly established Director of Protective Services since the bill currently requires CHHSA to appoint and have at-will rights to terminate the Director; however, the bill also states that DDS will have hiring authority.

The Arc of California and United Cerebral Palsy are in support of this bill.

COUNCIL STRATEGIC PLAN OBJECTIVE: Goal #4- Public safety agencies, other first responders and the justice system get information and assistance to be knowledgeable and aware of the needs of individuals with developmental disabilities so they can respond appropriately when individuals with developmental disabilities may have experienced abuse, neglect, sexual or financial exploitation or violation of legal or human rights.

PRIOR COUNCIL ACTIVITY: None

LPPC RECOMMENDATION(S): Support with amendments that clarify the reporting relationship of the Director of Protective Services (CHHSA/DDS.)

ATTACHMENT(S): SB 1051

PREPARED: Melissa C. Corral May 24, 2012

AMENDED IN SENATE MAY 10, 2012
AMENDED IN SENATE APRIL 17, 2012
AMENDED IN SENATE MARCH 28, 2012

SENATE BILL

No. 1051

Introduced by Senators Liu and Emmerson
(Coauthors: Senators Anderson and Strickland)

February 8, 2012

An act to ~~amend Section 13010 of the Penal Code, and to amend~~ Sections 4427.5 and 15630 of, and to add Sections 4023 and 4415.5 to, the Welfare and Institutions Code, relating to public social services, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1051, as amended, Liu. Reports of death, injury, and abuse: developmental centers and state hospitals: mandated reporters.

~~Existing law requires the Department of Justice, among other duties, to periodically review the requirements of units of government using criminal justice statistics, and to make recommendations for changes the department deems necessary in the design of criminal justice statistics systems, including new techniques of collection and processing made possible by automation.~~

~~This bill would require the department to include data regarding a crime victim's self-report of disability status in the criminal justice statistics, no later than at the next revision of the department's uniform crime report, as specified.~~

Existing law vests in the State Department of Developmental Services jurisdiction over state hospitals referred to as developmental centers for the provision of residential care to persons with developmental

disabilities. Existing law requires a developmental center to immediately report all resident deaths and serious injuries of unknown origin to the appropriate local law enforcement agency. Existing law establishes the Office of Protective Services within the State Department of Developmental Services.

This bill would rename a certain position within the Office of Protective Services as the Director of Protective Services, require the director to meet specified qualifications, and require that the director be appointed by and serve at the pleasure of the Secretary of California Health and Human Services, as specified.

This bill would require the department to report certain events involving death or harm involving a developmental center resident to a designated protection and advocacy agency. The bill also would require the State Department of State Hospitals to report the same categories of events to the protection and advocacy agency, with respect to a resident of a state mental hospital.

Existing law requires specified people, known as mandated reporters, to report cases of elder or dependent adult abuse, as defined. Failure to make a report as required by existing law is a misdemeanor.

This bill would require mandated reporters in the State Department of Developmental Services to immediately report suspected abuse to the Office of Protective Services or to the local law enforcement agency. By creating new duties for local officials, this bill would impose a state-mandated local program. By expanding the scope of an existing crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. ~~Section 13010 of the Penal Code is amended to~~
2 ~~read:~~
3 ~~13010. It shall be the duty of the department:~~
4 ~~(a) To collect data necessary for the work of the department~~
5 ~~from all persons and agencies mentioned in Section 13020 and~~
6 ~~from any other appropriate source.~~
7 ~~(b) To prepare and distribute to all those persons and agencies;~~
8 ~~cards, forms, or electronic means used in reporting data to the~~
9 ~~department. The cards, forms, or electronic means may, in addition~~
10 ~~to other items, include items of information needed by federal~~
11 ~~bureaus or departments engaged in the development of national~~
12 ~~and uniform criminal statistics.~~
13 ~~(c) To recommend the form and content of records which must~~
14 ~~be kept by those persons and agencies in order to ensure the correct~~
15 ~~reporting of data to the department.~~
16 ~~(d) To instruct those persons and agencies in the installation;~~
17 ~~maintenance, and use of those records and in the reporting of data~~
18 ~~therefrom to the department.~~
19 ~~(e) To process, tabulate, analyze, and interpret the data collected~~
20 ~~from those persons and agencies.~~
21 ~~(f) To supply, at their request, to federal bureaus or departments~~
22 ~~engaged in the collection of national criminal statistics data they~~
23 ~~need from this state.~~
24 ~~(g) To present to the Governor, on or before July 1st, an annual~~
25 ~~report containing the criminal statistics of the preceding calendar~~
26 ~~year and to present at other times as the Attorney General may~~
27 ~~approve reports on special aspects of criminal statistics. A sufficient~~
28 ~~number of copies of all reports shall be prepared to enable the~~
29 ~~Attorney General to send a copy to all public officials in the state~~
30 ~~dealing with criminals and to distribute them generally in channels~~
31 ~~where they will add to the public enlightenment.~~
32 ~~(h) (1) To periodically review the requirements of units of~~
33 ~~government using criminal justice statistics, and to make~~
34 ~~recommendations for changes it deems necessary in the design of~~
35 ~~criminal justice statistics systems, including new techniques of~~
36 ~~collection and processing made possible by automation.~~
37 ~~(2) To include in the criminal justice statistics, no later than at~~
38 ~~the next revision of the uniform crime report following the effective~~

1 ~~date of the act that added this paragraph, data regarding a crime~~
2 ~~victim's self-report of disability status.~~

3 ~~SEC. 2.~~

4 *SECTION 1.* Section 4023 is added to the Welfare and
5 Institutions Code, to read:

6 4023. (a) The State Department of State Hospitals shall report
7 to the agency ~~designated~~ *described* in subdivision (i) of Section
8 4900 the following incidents involving a resident of a state mental
9 hospital:

10 (1) Any unexpected or suspicious death.

11 (2) Any sexual assault allegation implicating the involvement
12 of a state mental hospital employee or an employee of the
13 Department of Corrections and Rehabilitation.

14 (3) Any report made to the local law enforcement agency.

15 (b) A report pursuant to this section shall be made no later than
16 the close of the first business day following the discovery of the
17 reportable incident.

18 ~~SEC. 3.~~

19 *SEC. 2.* Section 4415.5 is added to the Welfare and Institutions
20 Code, to read:

21 4415.5. (a) The chief of the Office of Protective Services, who
22 has the responsibility and authority to manage all protective service
23 components within the department's law enforcement and fire
24 protection divisions, including those at each state developmental
25 center, shall be known as the Director of Protective Services. The
26 director shall be an experienced law enforcement officer with a
27 Peace Officers Standards and Training Management Certificate
28 or higher, and with extensive management experience directing
29 uniformed peace officer and investigation operations.

30 (b) The Director of Protective Services shall be appointed by,
31 and shall serve at the pleasure of, the Secretary of California Health
32 and Human Services.

33 ~~SEC. 4.~~

34 *SEC. 3.* Section 4427.5 of the Welfare and Institutions Code
35 is amended to read:

36 4427.5. (a) (1) A developmental center shall immediately
37 report all resident deaths and serious injuries of unknown origin
38 to the appropriate local law enforcement agency, which may, at
39 its discretion, conduct an independent investigation.

(2) The reporting requirements of this subdivision are in addition to, and do not substitute for, the reporting requirements of mandated reporters.

(b) (1) The department shall report to the agency ~~designated~~ *described* in subdivision (i) of Section 4900 any of the following incidents involving a resident of a developmental center:

(A) Any unexpected or suspicious death.

(B) Any sexual assault allegation implicating the involvement of a developmental center or department employee.

(C) Any report made to the local law enforcement agency.

(2) A report pursuant to this subdivision shall be made no later than the close of the first business day following the discovery of the reportable incident.

(c) The department shall do both of the following:

(1) Annually provide written information to every developmental center employee regarding all of the following:

(A) The statutory and departmental requirements for mandatory reporting of suspected or known abuse.

(B) The rights and protections afforded to individuals' reporting of suspected or known abuse.

(C) The penalties for failure to report suspected or known abuse.

(D) The telephone numbers for reporting suspected or known abuse or neglect to designated investigators of the department and to local law enforcement agencies.

(2) On or before August 1, 2001, in consultation with employee organizations, advocates, consumers, and family members, develop a poster that encourages staff, residents, and visitors to report suspected or known abuse and provides information on how to make these reports.

~~SEC. 5.~~

SEC. 4. Section 15630 of the Welfare and Institutions Code is amended to read:

15630. (a) Any person who has assumed full or intermittent responsibility for the care or custody of an elder or dependent adult, whether or not he or she receives compensation, including administrators, supervisors, and any licensed staff of a public or private facility that provides care or services for elder or dependent adults, or any elder or dependent adult care custodian, health practitioner, clergy member, or employee of a county adult

1 protective services agency or a local law enforcement agency, is
2 a mandated reporter.

3 (b) (1) Any mandated reporter who, in his or her professional
4 capacity, or within the scope of his or her employment, has
5 observed or has knowledge of an incident that reasonably appears
6 to be physical abuse, as defined in Section 15610.63, abandonment,
7 abduction, isolation, financial abuse, or neglect, or is told by an
8 elder or dependent adult that he or she has experienced behavior,
9 including an act or omission, constituting physical abuse, as defined
10 in Section 15610.63, abandonment, abduction, isolation, financial
11 abuse, or neglect, or reasonably suspects that abuse, shall report
12 the known or suspected instance of abuse by telephone or through
13 a confidential Internet reporting tool, as authorized by Section
14 15658, immediately or as soon as practicably possible. If reported
15 by telephone, a written report shall be sent, or an Internet report
16 shall be made through the confidential Internet reporting tool
17 established in Section 15658, within two working days, as follows:

18 (A) If the abuse has occurred in a long-term care facility, except
19 a state mental health hospital or a state developmental center, the
20 report shall be made to the local ombudsperson or the local law
21 enforcement agency.

22 The local ombudsperson and the local law enforcement agency
23 shall, as soon as practicable, except in the case of an emergency
24 or pursuant to a report required to be made pursuant to clause (v),
25 in which case these actions shall be taken immediately, do all of
26 the following:

27 (i) Report to the State Department of Public Health any case of
28 known or suspected abuse occurring in a long-term health care
29 facility, as defined in subdivision (a) of Section 1418 of the Health
30 and Safety Code.

31 (ii) Report to the State Department of Social Services any case
32 of known or suspected abuse occurring in a residential care facility
33 for the elderly, as defined in Section 1569.2 of the Health and
34 Safety Code, or in an adult day care facility, as defined in paragraph
35 (2) of subdivision (a) of Section 1502.

36 (iii) Report to the State Department of Public Health and the
37 California Department of Aging any case of known or suspected
38 abuse occurring in an adult day health care center, as defined in
39 subdivision (b) of Section 1570.7 of the Health and Safety Code.

1 (iv) Report to the Bureau of Medi-Cal Fraud and Elder Abuse
2 any case of known or suspected criminal activity.

3 (v) Report all cases of known or suspected physical abuse and
4 financial abuse to the local district attorney's office in the county
5 where the abuse occurred.

6 (B) If the suspected or alleged abuse occurred in a state mental
7 hospital or a state developmental center, the report shall be made
8 to designated investigators of the State Department of Mental
9 Health or the State Department of Developmental Services, or to
10 the local law enforcement agency.

11 (i) Except in an emergency, the local law enforcement agency
12 shall, as soon as practicable, report any case of known or suspected
13 criminal activity to the Bureau of Medi-Cal Fraud and Elder Abuse.

14 (ii) Mandated reporters of the State Department of
15 Developmental Services shall immediately report suspected abuse
16 to the Office of Protective Services or to the local law enforcement
17 agency.

18 (C) If the abuse has occurred any place other than one described
19 in subparagraph (A), the report shall be made to the adult protective
20 services agency or the local law enforcement agency.

21 (2) (A) A mandated reporter who is a clergy member who
22 acquires knowledge or reasonable suspicion of elder or dependent
23 adult abuse during a penitential communication is not subject to
24 paragraph (1). For purposes of this subdivision, "penitential
25 communication" means a communication that is intended to be in
26 confidence, including, but not limited to, a sacramental confession
27 made to a clergy member who, in the course of the discipline or
28 practice of his or her church, denomination, or organization is
29 authorized or accustomed to hear those communications and under
30 the discipline tenets, customs, or practices of his or her church,
31 denomination, or organization, has a duty to keep those
32 communications secret.

33 (B) Nothing in this subdivision shall be construed to modify or
34 limit a clergy member's duty to report known or suspected elder
35 and dependent adult abuse when he or she is acting in the capacity
36 of a care custodian, health practitioner, or employee of an adult
37 protective services agency.

38 (C) Notwithstanding any other provision in this section, a clergy
39 member who is not regularly employed on either a full-time or
40 part-time basis in a long-term care facility or does not have care

1 or custody of an elder or dependent adult shall not be responsible
2 for reporting abuse or neglect that is not reasonably observable or
3 discernible to a reasonably prudent person having no specialized
4 training or experience in elder or dependent care.

5 (3) (A) A mandated reporter who is a physician and surgeon,
6 a registered nurse, or a psychotherapist, as defined in Section 1010
7 of the Evidence Code, shall not be required to report, pursuant to
8 paragraph (1), an incident where all of the following conditions
9 exist:

10 (i) The mandated reporter has been told by an elder or dependent
11 adult that he or she has experienced behavior constituting physical
12 abuse, as defined in Section 15610.63, abandonment, abduction,
13 isolation, financial abuse, or neglect.

14 (ii) The mandated reporter is not aware of any independent
15 evidence that corroborates the statement that the abuse has
16 occurred.

17 (iii) The elder or dependent adult has been diagnosed with a
18 mental illness or dementia, or is the subject of a court-ordered
19 conservatorship because of a mental illness or dementia.

20 (iv) In the exercise of clinical judgment, the physician and
21 surgeon, the registered nurse, or the psychotherapist, as defined
22 in Section 1010 of the Evidence Code, reasonably believes that
23 the abuse did not occur.

24 (B) This paragraph shall not be construed to impose upon
25 mandated reporters a duty to investigate a known or suspected
26 incident of abuse and shall not be construed to lessen or restrict
27 any existing duty of mandated reporters.

28 (4) (A) In a long-term care facility, a mandated reporter shall
29 not be required to report as a suspected incident of abuse, as defined
30 in Section 15610.07, an incident where all of the following
31 conditions exist:

32 (i) The mandated reporter is aware that there is a proper plan
33 of care.

34 (ii) The mandated reporter is aware that the plan of care was
35 properly provided or executed.

36 (iii) A physical, mental, or medical injury occurred as a result
37 of care provided pursuant to clause (i) or (ii).

38 (iv) The mandated reporter reasonably believes that the injury
39 was not the result of abuse.

1 (B) This paragraph shall not be construed to require a mandated
2 reporter to seek, nor to preclude a mandated reporter from seeking,
3 information regarding a known or suspected incident of abuse prior
4 to reporting. This paragraph shall apply only to those categories
5 of mandated reporters that the State Department of Public Health
6 determines, upon approval by the Bureau of Medi-Cal Fraud and
7 Elder Abuse and the state long-term care ombudsperson, have
8 access to plans of care and have the training and experience
9 necessary to determine whether the conditions specified in this
10 section have been met.

11 (c) (1) Any mandated reporter who has knowledge, or
12 reasonably suspects, that types of elder or dependent adult abuse
13 for which reports are not mandated have been inflicted upon an
14 elder or dependent adult, or that his or her emotional well-being
15 is endangered in any other way, may report the known or suspected
16 instance of abuse.

17 (2) If the suspected or alleged abuse occurred in a long-term
18 care facility other than a state mental health hospital or a state
19 developmental center, the report may be made to the long-term
20 care ombudsperson program. Except in an emergency, the local
21 ombudsperson shall report any case of known or suspected abuse
22 to the State Department of Public Health and any case of known
23 or suspected criminal activity to the Bureau of Medi-Cal Fraud
24 and Elder Abuse, as soon as is practicable.

25 (3) If the suspected or alleged abuse occurred in a state mental
26 health hospital or a state developmental center, the report may be
27 made to the designated investigator of the State Department of
28 Mental Health or the State Department of Developmental Services
29 or to a local law enforcement agency or to the local ombudsperson.
30 Except in an emergency, the local ombudsperson and the local law
31 enforcement agency shall report any case of known or suspected
32 criminal activity to the Bureau of Medi-Cal Fraud and Elder Abuse,
33 as soon as is practicable.

34 (4) If the suspected or alleged abuse occurred in a place other
35 than a place described in paragraph (2) or (3), the report may be
36 made to the county adult protective services agency.

37 (5) If the conduct involves criminal activity not covered in
38 subdivision (b), it may be immediately reported to the appropriate
39 law enforcement agency.

1 (d) When two or more mandated reporters are present and jointly
2 have knowledge or reasonably suspect that types of abuse of an
3 elder or a dependent adult for which a report is or is not mandated
4 have occurred, and when there is agreement among them, the
5 telephone report or Internet report, as authorized by Section 15658,
6 may be made by a member of the team selected by mutual
7 agreement, and a single report may be made and signed by the
8 selected member of the reporting team. Any member who has
9 knowledge that the member designated to report has failed to do
10 so shall thereafter make the report.

11 (e) A telephone report or Internet report, as authorized by
12 Section 15658, of a known or suspected instance of elder or
13 dependent adult abuse shall include, if known, the name of the
14 person making the report, the name and age of the elder or
15 dependent adult, the present location of the elder or dependent
16 adult, the names and addresses of family members or any other
17 adult responsible for the elder's or dependent adult's care, the
18 nature and extent of the elder's or dependent adult's condition, the
19 date of the incident, and any other information, including
20 information that led that person to suspect elder or dependent adult
21 abuse, as requested by the agency receiving the report.

22 (f) The reporting duties under this section are individual, and
23 no supervisor or administrator shall impede or inhibit the reporting
24 duties, and no person making the report shall be subject to any
25 sanction for making the report. However, internal procedures to
26 facilitate reporting, ensure confidentiality, and apprise supervisors
27 and administrators of reports may be established, provided they
28 are not inconsistent with this chapter.

29 (g) (1) Whenever this section requires a county adult protective
30 services agency to report to a law enforcement agency, the law
31 enforcement agency shall, immediately upon request, provide a
32 copy of its investigative report concerning the reported matter to
33 that county adult protective services agency.

34 (2) Whenever this section requires a law enforcement agency
35 to report to a county adult protective services agency, the county
36 adult protective services agency shall, immediately upon request,
37 provide to that law enforcement agency a copy of its investigative
38 report concerning the reported matter.

39 (3) The requirement to disclose investigative reports pursuant
40 to this subdivision shall not include the disclosure of social services

records or case files that are confidential, nor shall this subdivision be construed to allow disclosure of any reports or records if the disclosure would be prohibited by any other provision of state or federal law.

(h) Failure to report, or impeding or inhibiting a report of, physical abuse, as defined in Section 15610.63, abandonment, abduction, isolation, financial abuse, or neglect of an elder or dependent adult, in violation of this section, is a misdemeanor, punishable by not more than six months in the county jail, by a fine of not more than one thousand dollars (\$1,000), or by both that fine and imprisonment. Any mandated reporter who willfully fails to report, or impedes or inhibits a report of, physical abuse, as defined in Section 15610.63, abandonment, abduction, isolation, financial abuse, or neglect of an elder or dependent adult, in violation of this section, where that abuse results in death or great bodily injury, shall be punished by not more than one year in a county jail, by a fine of not more than five thousand dollars (\$5,000), or by both that fine and imprisonment. If a mandated reporter intentionally conceals his or her failure to report an incident known by the mandated reporter to be abuse or severe neglect under this section, the failure to report is a continuing offense until a law enforcement agency specified in paragraph (1) of subdivision (b) of Section 15630 discovers the offense.

(i) For purposes of this section, “dependent adult” shall have the same meaning as in Section 15610.23.

~~SEC. 6.~~

SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

1 ~~SEC. 7.~~

2 *SEC. 6.* This act is an urgency statute necessary for the
3 immediate preservation of the public peace, health, or safety within
4 the meaning of Article IV of the Constitution and shall go into
5 immediate effect. The facts constituting the necessity are:

6 In order to ensure that the applicable investigative structure
7 adequately protects residents of developmental centers and other
8 vulnerable persons from harm at the earliest possible time, it is
9 necessary for this act to take effect immediately.

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COUNCIL AGENDA ITEM DETAIL SHEET

BILL NUMBER/ISSUE: SB 1522 – Reports of death, injury and abuse in developmental centers

BILL SUMMARY: Sponsored by Disability Rights California (DRC), this bill would: require a developmental center to immediately report all resident deaths, sexual assaults, assaults with a deadly weapon or force likely to produce great bodily injury, or an injury to the genitals when the cause of injury is undetermined, to the local law enforcement agency even if the Office of Protective Services has investigated the situation.

BACKGROUND: Recently, there has been a significant amount of discussion regarding the protection of individuals who are residents of developmental centers from abuse and how allegations of abuse are reported and investigated.

Senators Liu and Emmerson held a hearing regarding this issue in March 2012 to hear from the Department of Justice, Department of Developmental Services, police officer union and from individuals and family members.

ANALYSIS/DISCUSSION: This bill is one of several bills this legislative session attempting to address possible abuse and neglect. This bill specifies the instances where local law enforcement will be contacted regardless of reports or investigations by OPS (developmental center police force).

The author states that “if local law enforcement received fewer reports, it may be more likely to respond and investigate incidents.” This bill is an effort to prioritize serious crimes. It should be noted that the bill does not require local law enforcement to conduct investigations into the reports submitted by developmental centers.

DRC and The Arc of California and United Cerebral Palsy support of this bill.

COUNCIL STRATEGIC PLAN OBJECTIVE: Goal #4- Public safety agencies, other first responders and the justice system get information and assistance to be knowledgeable and aware of the needs of individuals with developmental disabilities so they can respond appropriately when individuals with developmental disabilities may have experienced abuse, neglect, sexual or financial exploitation or violation of legal or human rights.

PRIOR COUNCIL ACTIVITY: None

LPPC RECOMMENDATION(S): Support SB 1522

ATTACHMENT(S): SB 1522

PREPARED: Melissa C. Corral May 24, 2012

AMENDED IN SENATE APRIL 26, 2012

AMENDED IN SENATE APRIL 17, 2012

AMENDED IN SENATE APRIL 9, 2012

SENATE BILL

No. 1522

Introduced by Senator Leno

February 24, 2012

An act to amend Section 4427.5 of the Welfare and Institutions Code, relating to developmental services, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1522, as amended, Leno. Developmental centers: reporting requirements.

Existing law vests in the State Department of Developmental Services jurisdiction over state hospitals referred to as developmental centers for the provision of residential care to persons with developmental disabilities. Existing law requires a developmental center to immediately report all resident deaths and serious injuries of unknown origin to the appropriate local law enforcement agency. Existing law establishes the Office of Protective Services within the State Department of Developmental Services.

This bill would instead require a developmental center to immediately report a death, a sexual assault, an assault with a deadly weapon or force likely to produce great bodily injury, or an injury to the genitals ~~or broken bone~~ when the cause of injury is undetermined, to the local law enforcement agency having jurisdiction over the city or county in which the developmental center is located, regardless of whether the Office of Protective Services has investigated the facts and circumstances

relating to the incident. The bill would require the developmental center to submit a written report of the incident to the local law enforcement agency within 2 working days of any telephone report to that agency.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 4427.5 of the Welfare and Institutions
2 Code is amended to read:

3 4427.5. (a) (1) A developmental center shall immediately
4 report the following incidents involving a resident to the local law
5 enforcement agency having jurisdiction over the city or county in
6 which the developmental center is located, regardless of whether
7 the Office of Protective Services has investigated the facts and
8 circumstances relating to the incident:

9 (A) A death.

10 (B) A sexual assault, as defined in Section 15610.63.

11 (C) An assault with a deadly weapon or force likely to produce
12 great bodily injury, as defined in Section 245 of the Penal Code.

13 (D) An injury to the genitals when the cause of the injury is
14 undetermined.

15 ~~(E) A broken bone when the cause of the break is undetermined.~~

16 (2) If the incident is reported to the law enforcement agency by
17 telephone, a written report of the incident shall also be submitted
18 to the agency, within two working days.

19 (3) The reporting requirements of this subdivision are in addition
20 to, and do not substitute for, the reporting requirements of
21 mandated reporters, and any other reporting and investigative
22 duties of the developmental center and the department as required
23 by law.

24 (b) The department shall do both of the following:

25 (1) Annually provide written information to every developmental
26 center employee regarding all of the following:

27 (A) The statutory and departmental requirements for mandatory
28 reporting of suspected or known abuse.

29 (B) The rights and protections afforded to individuals' reporting
30 of suspected or known abuse.

1 (C) The penalties for failure to report suspected or known abuse.
2 (D) The telephone numbers for reporting suspected or known
3 abuse or neglect to designated investigators of the department and
4 to local law enforcement agencies.

5 (2) On or before August 1, 2001, in consultation with employee
6 organizations, advocates, consumers, and family members, develop
7 a poster that encourages staff, residents, and visitors to report
8 suspected or known abuse and provides information on how to
9 make these reports.

10 SEC. 2. This act is an urgency statute necessary for the
11 immediate preservation of the public peace, health, or safety within
12 the meaning of Article IV of the Constitution and shall go into
13 immediate effect. The facts constituting the necessity are:

14 In order to ensure that the applicable investigative structure
15 adequately protects residents of developmental centers and other
16 vulnerable persons from harm at the earliest possible time, it is
17 necessary for this act to take effect immediately.

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AGENDA ITEM DETAIL SHEET

BILL NUMBER/ISSUE: Senate Bill (SB) 1392 (Pavley/Rubio) - developmental services.

BILL SUMMARY: Sponsored by the Disability Services Association (DSA), this bill permits land from state developmental centers (DCs) – that no longer meets the needs of directly serving individuals with developmental disabilities – to be kept, leased, and then place the funds collected into a new special fund. The money from this fund must then be used in accordance with existing portions of the law, which includes the development of integrated housing for individuals eligible for regional center services.

DETAILS AND BACKGROUND: Under current law, state agencies must identify surplus property and dispose of it. When surplus property is sold, the money must be returned to the fund that originally acquired the property, usually the General Fund.

Welfare and Institutions Code (WIC) Section 4688.6 indicates that regional centers may approach the Department of Developmental Services (DDS) when they wish to “provide for, secure, or ensure the full payment of a lease” on integrated housing. If the regional center meets a host of technical requirements (for example, the regional center must approve a developer and their credentials), the regional center may then pay a developer (which can be a nonprofit, or management group) to develop and provide integrated housing.

SB 1392 indicates that the money collected from leasing the land of DCs will be used, upon appropriation by the Legislature, to develop housing in accordance with WIC Section 4688.6. It is unclear what would happen if it were not appropriated by the Legislature. When clarification was requested, Senator Pavley’s staff indicated that the moneys would be appropriated for other purposes consistent with the Lanterman Act.

ANALYSIS/DISCUSSION: If SB 1392 were passed, surplus DC land could be leased and those moneys collected into a special fund. This fund would be used to develop integrated properties for individuals with intellectual and developmental disabilities to reside. Per the author’s staff, in the event the Legislature does not appropriate the funds, the money would be used for purposes consistent with the Lanterman Act.

This bill is one of many that have been pursued to capture the sale or lease of surplus DC land for the developmental services system. Years ago, the state leased space at Agnews Developmental Center to a service provider in the bay area for the development of housing and services. While the housing never appeared, the service

provider did use the land for day services. Historical budgets reflect some funds were deposited into a special account within the DDS budget. Surplus land at Fairview Developmental Center did result in the development of integrated housing; while land at Agnews was sold to private entity for business and at Camarillo to the state university system. Currently the remaining half of Agnews made available upon closure of the entire facility, remains unused and in the control of the Department of General Services (DGS).

More recent efforts to capture these assets have met with opposition from Administrations because they are seen as general government assets as opposed to belonging to the developmental services system, and with the budget deficits, income deemed needed for general State expenses, including the developmental services system.

Currently the bill is silent with respect to assuring that the housing developed is compatible with the continued operations of the developmental center if only a portion of the total land assigned to the center. Nor does the bill ensure that any income from this source will not be used to offset general fund allocations or to address deficits in the DDS budget. Finally the bill does not address how, if any, income will be accessed from land already leased at Camarillo, Stockton and Agnews which have closed all services for people with developmental disabilities. It is assumed that the bill is prospective, thus income from those assets would not fall within the jurisdiction of this bill.

Supporters include the Association of Regional Center Agencies (ARCA), Ability First, The Arc and United Cerebral Palsy of California, California Association for Health Services at Home, Easter Seals Disability Services, the California Association of State Hospital Parent Councils for the Retarded, and the California Disability Services Association (CDSA). The California Association of Psychiatric Technicians opposes SB 1392.

COUNCIL STRATEGIC PLAN OBJECTIVE: The Council will take a position on proposed state and federal legislation and proposed regulations that impact people with developmental disabilities, will communicate those positions to legislators and their staff, and will disseminate this information to all interested parties.

Affordable housing units are developed in local communities to expand housing options for individuals with developmental disabilities.

PRIOR COUNCIL ACTIVITY: The Council, has historically, supported capturing the assets from surplus developmental center land for use in the developmental services system.

LPPC RECOMMENDATION(S): Although SB 1392 was amended since LPPC review on 5/24/12, it is recommended that the Council support the intent of SB 1392 and raise the need for the bill to address:

- (1) standards for compatible use of surplus land while the center remains operational and serving people with developmental disabilities;
- (2) disallow access to the special fund for the purpose of offsetting general fund deficiencies in DDS budgets; and
- (3) clarify that the income from surplus land currently being leased, if any, be deposited into this special account.

ATTACHMENT(S): SB 1392 as amended on 5/25/12 and WIC Section 4688.6.

PREPARED: Christofer Arroyo, June 14, 2012

AMENDED IN SENATE MAY 25, 2012

AMENDED IN SENATE APRIL 9, 2012

SENATE BILL

No. 1392

Introduced by Senators Pavley and Rubio
(Coauthors: Assembly Members Beall and Huffman)

February 24, 2012

An act to add Section 11011.22 to the Government Code, relating to developmental services.

LEGISLATIVE COUNSEL'S DIGEST

SB 1392, as amended, Pavley. Developmental services.

Existing law establishes several developmental centers within the jurisdiction of the State Department of Developmental Services.

This bill would ~~require, if a specified developmental center is determined to no longer meet the needs of the state for directly serving persons with developmental disabilities, that~~ *permit* the real property within the grounds of ~~the~~ *a* developmental center, *as specified, that is determined to no longer meet the needs of the state for directly serving persons with developmental disabilities* to be made available for lease and be leased, ~~subject to certain other leases,~~ to generate revenue for deposit into the Californians with Developmental Disabilities Fund, which the bill would create. The bill would require moneys in this fund to be made available, upon appropriation by the Legislature, to the department for purposes of serving persons with developmental disabilities.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature hereby finds and declares all of
2 the following:
- 3 (a) The Lanterman Developmental *Disabilities* Services Act
4 states that the State of California accepts a responsibility for
5 persons with developmental disabilities and an obligation to them
6 that it must discharge.
- 7 (b) Some persons with developmental disabilities live in one of
8 four state-owned and state-operated developmental centers or
9 participate in the community-based residential program.
- 10 (c) As demonstrated by developmental centers that the state has
11 previously closed, including the Stockton, Camarillo, and Agnews
12 Developmental Centers, upon closure the residents still require
13 ongoing supports and services, including residential services, as
14 they transition to community-based housing, programs, and service.
- 15 (d) The obligation by the State Department of Developmental
16 Services to meet the housing and other needs of these persons
17 under the Lanterman Developmental Disabilities *Services* Act
18 necessitates thoughtful consideration, including, but not limited
19 to, the use of a previously closed developmental-centers ~~center~~
20 property in any manner possible for the benefit of the population
21 served.
- 22 SEC. 2. Section 11011.22 is added to the Government Code,
23 to read:
- 24 11011.22. (a) Notwithstanding Section 11011, if the real
25 property within the grounds of Agnews State Hospital, Camarillo
26 State Hospital, Fairview State Hospital, Lanterman State Hospital,
27 Porterville State Hospital, Sonoma State Hospital, or Stockton
28 State Hospital is determined to no longer meet the needs of the
29 state for directly serving persons with developmental disabilities,
30 the real property, subject to any lease entered into pursuant to a
31 statute enacted prior to the effective date of this section, ~~shall~~ *may*
32 be made available for lease and be leased in order to generate
33 revenue for deposit into the Californians with Developmental
34 Disabilities Fund.
- 35 (b) The Californians with Developmental Disabilities Fund is
36 hereby created in the State Treasury. Moneys in the fund shall,
37 upon appropriation by the Legislature, be made available to the
38 State Department of Developmental Services for purposes of

- 1 serving persons with developmental disabilities, subject to Section
- 2 4688.6 of the Welfare and Institutions Code.

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4688.6. (a) Notwithstanding any other provision of law to the contrary, the department may receive and approve a proposal or proposals by any regional center to provide for, secure, or ensure the full payment of a lease or leases on housing based on the availability for occupancy in each home. These proposals shall not include an adult residential facility for persons with special health care needs, as defined in Section 1567.50 of the Health and Safety Code. Proposals submitted by regional centers shall meet all of the following conditions:

(1) The acquired or developed real property is available for occupancy by individuals eligible for regional center services and is integrated with other housing in the community for people without disabilities.

(2) The regional center has submitted documents demonstrating the appropriate credentials and terms of the project and has approved the proposed nonprofit ownership entity, management entity, and developer or development entity for each project.

(3) The costs associated with the proposal are reasonable and maximize the receipt of federal Medicaid funding. The department shall only approve proposals that include a process for the regional center to review recent sales of comparable properties to ensure the purchase price is within the range of fair market value and, if significant renovations of a home will be undertaken after the home is purchased, competing bids for that renovation work to ensure that the cost of the work is reasonable. For purposes of this subdivision, "significant renovations" means renovations that exceed 5 percent of the purchase price of the home.

(4) The proposal includes a plan for a transfer at a time certain of the real property's ownership to a nonprofit entity to be approved by the regional center.

(5) The regional center has submitted, with the proposal, the nonrefundable developer fee established in subdivision (d).

(b) Prior to approving a regional center proposal pursuant to subdivision (a), the department may contract or consult with a public or private sector entity that has appropriate experience in structuring complex real estate financial transactions, but is not otherwise involved in any lending related to the project to review any of the following:

(1) The terms and conditions of the financing structure for acquisition or development of the real property.

(2) Any and all agreements that govern the real property's ownership, occupancy, maintenance, management, and operation, to ensure that the use of the property is maintained for the benefit of persons with developmental disabilities.

(c) The department may impose a limit on the number of proposals considered pursuant to subdivision (a). If a limit is imposed, the department shall notify the Association of Regional Center Agencies.

(d) (1) The department shall charge the developer of the housing described in the regional center proposal a reasonable, nonrefundable fee for each proposal submitted. The fee shall be for the purpose of

reimbursing the department's costs associated with conducting the review and approval required by subdivision (b). The fee shall be set by the department within 30 days of the effective date of the act that added this section, and shall be adjusted annually, as necessary, to ensure the payment of the costs incurred by the department.

(2) Fees collected shall be deposited in the Developmental Disabilities Services Account established pursuant to Section 14672.9 of the Government Code and shall be used solely for the purpose of conducting the review and approval required by subdivision (b), upon appropriation by the Legislature. Interest and dividends on moneys collected pursuant to this section shall, notwithstanding Section 16305.7 of the Government Code, be retained in the account for purposes of this section. Moneys deposited in the Developmental Disabilities Services Account pursuant to this subdivision shall not be subject to the requirements of subdivision (i) of Section 14672.9 of the Government Code.

(3) Notwithstanding paragraph (2), for the 2008-09 fiscal year, the Director of Finance may approve an expenditure of up to seventy-five thousand dollars (\$75,000) by the department from moneys deposited in the account for the purposes specified in subdivision (b). In the 2009-10 fiscal year and each fiscal year thereafter, moneys shall be available to the department upon appropriation by the Legislature.

(e) No sale, encumbrance, hypothecation, assignment, refinancing, pledge, conveyance, exchange, or transfer in any other form of the real property, or of any of its interest therein, shall occur without the prior written approval of the department and the regional center.

(f) Notice of the restrictions pursuant to this section shall be recorded against the acquired or developed real property subject to this section.

(g) At least 30 days prior to granting approval under subdivision (e), the department shall provide notice to the chairpersons and vice chairpersons of the fiscal committees of the Assembly and the Senate and the Director of Finance.

(h) The regional center shall not be eligible to acquire or develop real property for the purpose of residential housing.

(i) Unless otherwise authorized by law, a regional center shall not use purchase of service funds to implement this section.

(j) With the exception of funds authorized in paragraph (3) of subdivision (d), this section shall be implemented within the department's annual budget. This subdivision shall not preclude the receipt or use of federal, state non-General Fund, or private funds to implement this section.

(k) The department shall establish guidelines and procedures for the administration of this section.

AGENDA ITEM DETAIL SHEET

BILL NUMBER/ISSUE: Senate Bill (SB) 1228 - small house skilled nursing facilities

BILL SUMMARY: Sponsored by NCB Capitol Impact, this bill creates a new kind of nursing facility, a small house skilled nursing facility. Such homes can be licensed after January 1, 2014, look and feel like a typical home, and are limited to no more than 10 residents.

BACKGROUND AND DETAILS: In recent years, The Green House Project has arisen, which has rethought the philosophy of care, architecture, and organizational structure related to long-term care. Green House homes look like private homes or apartments in the community, with 6-12 residents (although this bill limits small house skill nursing facilities to 10) who are provided services (such as personal care, meal preparation, and light housekeeping) by staff trained in the Green House philosophy and are certified nurse assistants.

The author indicates that the current statutory and regulatory structure in California did not anticipate this innovative method of providing care and therefore this bill is necessary.

There are a host of requirements for the small house skilled nursing facilities. Many of them are technical in nature, but some of them are:

- Small house skilled nursing facilities must comply with all federal and state statutory and regulatory requirements, and if one cannot, the Department of Public Health or the Office of Statewide Health Planning and Development may waive one or more of these regulations if it does not jeopardize the health or safety of residents.
- Workers in the homes will be:
 - certified nursing assistant who provides personal care, socialization, meal preparation services, and housekeeping services and
 - trained for at least 120 hours in elements of the Green House philosophy.
- Meals must be cooked and prepared in the home and not prepared elsewhere and brought to the home.
- The small house skilled nursing facility must be homelike and not institutional. For example, the home:
 - must appear like homes or apartments in the community;
 - may not contain institutional features, such as nursing stations, medication carts, and room numbers;
 - must include double occupancy bedrooms designed for no more than two residents;

- each double occupancy bedroom must have a full, private, accessible bathroom;
- is encouraged to have single occupancy bedrooms that may only be shared at the request of a resident to accommodate a spouse, partner, friend, or family member;
- must be accessible to individuals with disabilities;
- must have a full kitchen usable by all residents;
- must have a dining room that can accommodate all residents and at least two staff;
- must have a living room to socialize;
- must have ample light and access to at least one window;
- must provide access to a secured outdoor space.

Supporters of the bill include NCB Capitol Impact, Aging Services of California, Alzheimer's Association, California Association of Health Facilities, California Commission on Aging, California Senior Legislature, Congress of California Seniors, Mount San Antonio Gardens, and United Domestic Workers of America/AFSCME Local 3930. There is no known opposition to SB 1228.

ANALYSIS/DISCUSSION: SB 1228 could create a new community living option for individuals with intellectual and developmental disabilities that more closely resembles a typical home environment with necessary support.

COUNCIL STRATEGIC PLAN OBJECTIVE: The Council will take a position on proposed state and federal legislation and proposed regulations that impact people with developmental disabilities, will communicate those positions to legislators and their staff, and will disseminate this information to all interested parties.

Individuals with developmental disabilities have access to affordable housing that provides control, choice and flexibility regarding where and with whom they live.

Affordable housing units are developed in local communities to expand housing options for individuals with developmental disabilities.

PRIOR COUNCIL ACTIVITY: Historically the Council has supported the development of community integrated housing particularly for individuals with special health care needs (i.e. SB 962 homes).

LPPC RECOMMENDATION(S): Although SB 1228 was amended since the LPPC review on 5/29/12; consistent with LPPC's action, it is recommended that the Council support SB 1228.

ATTACHMENT(S): SB 1228 as amended on 5/29/12 and an article, "Senate Committee Approves New Type of Nursing Home". Please note Section 1323.5 in the bill is a new section.

PREPARED: Christofer Arroyo, June 14, 2012

AMENDED IN SENATE MAY 29, 2012

AMENDED IN SENATE MAY 1, 2012

SENATE BILL

No. 1228

Introduced by Senator Alquist

February 23, 2012

An act to amend Section 1250 of, and to add Article 7.2 (commencing with Section 1323.5) to Chapter 2 of Division 2 of, the Health and Safety Code, relating to small house skilled nursing facilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 1228, as amended, Alquist. Small house skilled nursing facilities.

Existing law provides for the licensure and regulation of health facilities, including skilled nursing facilities, as defined, by the State Department of Public Health. Violation of these provisions is a crime.

This bill, commencing January 1, 2014, would create a new health facility licensing category for a small house skilled nursing facility, *to be defined by the bill as a skilled nursing facility that is either a stand-alone home or that consists, a facility consisting of more than one home, or a distinct area within a facility, as specified, that is licensed for the purposes of providing skilled nursing care in a homelike, noninstitutional setting.* The bill would require that these facilities comply with applicable state law governing skilled nursing facilities, except as specified. ~~The bill would require the department to review license applications and render a decision within 6 months of receipt.~~ The bill would require the department and the Office of Statewide Health Planning and Development to consult with specified entities on various aspects of small house skilled nursing facilities. The bill would require the department to adopt regulations implementing these provisions.

By expanding the scope of a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1250 of the Health and Safety Code is
2 amended to read:

3 1250. As used in this chapter, "health facility" means any
4 facility, place, or building that is organized, maintained, and
5 operated for the diagnosis, care, prevention, and treatment of
6 human illness, physical or mental, including convalescence and
7 rehabilitation and including care during and after pregnancy, or
8 for any one or more of these purposes, for one or more persons,
9 to which the persons are admitted for a 24-hour stay or longer, and
10 includes the following types:

11 (a) "General acute care hospital" means a health facility having
12 a duly constituted governing body with overall administrative and
13 professional responsibility and an organized medical staff that
14 provides 24-hour inpatient care, including the following basic
15 services: medical, nursing, surgical, anesthesia, laboratory,
16 radiology, pharmacy, and dietary services. A general acute care
17 hospital may include more than one physical plant maintained and
18 operated on separate premises as provided in Section 1250.8. A
19 general acute care hospital that exclusively provides acute medical
20 rehabilitation center services, including at least physical therapy,
21 occupational therapy, and speech therapy, may provide for the
22 required surgical and anesthesia services through a contract with
23 another acute care hospital. In addition, a general acute care
24 hospital that, on July 1, 1983, provided required surgical and
25 anesthesia services through a contract or agreement with another
26 acute care hospital may continue to provide these surgical and
27 anesthesia services through a contract or agreement with an acute
28 care hospital. The general acute care hospital operated by the State

1 Department of Developmental Services at Agnews Developmental
2 Center may, until June 30, 2007, provide surgery and anesthesia
3 services through a contract or agreement with another acute care
4 hospital. Notwithstanding the requirements of this subdivision, a
5 general acute care hospital operated by the Department of
6 Corrections and Rehabilitation or the Department of Veterans
7 Affairs may provide surgery and anesthesia services during normal
8 weekday working hours, and not provide these services during
9 other hours of the weekday or on weekends or holidays, if the
10 general acute care hospital otherwise meets the requirements of
11 this section.

12 A “general acute care hospital” includes a “rural general acute
13 care hospital.” However, a “rural general acute care hospital” shall
14 not be required by the department to provide surgery and anesthesia
15 services. A “rural general acute care hospital” shall meet either of
16 the following conditions:

17 (1) The hospital meets criteria for designation within peer group
18 six or eight, as defined in the report entitled Hospital Peer Grouping
19 for Efficiency Comparison, dated December 20, 1982.

20 (2) The hospital meets the criteria for designation within peer
21 group five or seven, as defined in the report entitled Hospital Peer
22 Grouping for Efficiency Comparison, dated December 20, 1982,
23 and has no more than 76 acute care beds and is located in a census
24 dwelling place of 15,000 or less population according to the 1980
25 federal census.

26 (b) “Acute psychiatric hospital” means a health facility having
27 a duly constituted governing body with overall administrative and
28 professional responsibility and an organized medical staff that
29 provides 24-hour inpatient care for mentally disordered,
30 incompetent, or other patients referred to in Division 5
31 (commencing with Section 5000) or Division 6 (commencing with
32 Section 6000) of the Welfare and Institutions Code, including the
33 following basic services: medical, nursing, rehabilitative,
34 pharmacy, and dietary services.

35 (c) (1) “Skilled nursing facility” means a health facility that
36 provides skilled nursing care and supportive care to patients whose
37 primary need is for availability of skilled nursing care on an
38 extended basis.

39 (2) “Skilled nursing facility” includes a “small house skilled
40 nursing facility (SHSNF),” as defined in Section 1323.5.

- 1 (d) "Intermediate care facility" means a health facility that
2 provides inpatient care to ambulatory or nonambulatory patients
3 who have recurring need for skilled nursing supervision and need
4 supportive care, but who do not require availability of continuous
5 skilled nursing care.
- 6 (e) "Intermediate care facility/developmentally disabled
7 habilitative" means a facility with a capacity of 4 to 15 beds that
8 provides 24-hour personal care, habilitation, developmental, and
9 supportive health services to 15 or fewer persons with
10 developmental disabilities who have intermittent recurring needs
11 for nursing services, but have been certified by a physician and
12 surgeon as not requiring availability of continuous skilled nursing
13 care.
- 14 (f) "Special hospital" means a health facility having a duly
15 constituted governing body with overall administrative and
16 professional responsibility and an organized medical or dental staff
17 that provides inpatient or outpatient care in dentistry or maternity.
- 18 (g) "Intermediate care facility/developmentally disabled" means
19 a facility that provides 24-hour personal care, habilitation,
20 developmental, and supportive health services to persons with
21 developmental disabilities whose primary need is for
22 developmental services and who have a recurring but intermittent
23 need for skilled nursing services.
- 24 (h) "Intermediate care facility/developmentally
25 disabled-nursing" means a facility with a capacity of 4 to 15 beds
26 that provides 24-hour personal care, developmental services, and
27 nursing supervision for persons with developmental disabilities
28 who have intermittent recurring needs for skilled nursing care but
29 have been certified by a physician and surgeon as not requiring
30 continuous skilled nursing care. The facility shall serve medically
31 fragile persons with developmental disabilities or who demonstrate
32 significant developmental delay that may lead to a developmental
33 disability if not treated.
- 34 (i) (1) "Congregate living health facility" means a residential
35 home with a capacity, except as provided in paragraph (4), of no
36 more than 12 beds, that provides inpatient care, including the
37 following basic services: medical supervision, 24-hour skilled
38 nursing and supportive care, pharmacy, dietary, social, recreational,
39 and at least one type of service specified in paragraph (2). The
40 primary need of congregate living health facility residents shall

1 be for availability of skilled nursing care on a recurring,
2 intermittent, extended, or continuous basis. This care is generally
3 less intense than that provided in general acute care hospitals but
4 more intense than that provided in skilled nursing facilities.

5 (2) Congregate living health facilities shall provide one of the
6 following services:

7 (A) Services for persons who are mentally alert, persons with
8 physical disabilities, who may be ventilator dependent.

9 (B) Services for persons who have a diagnosis of terminal
10 illness, a diagnosis of a life-threatening illness, or both. Terminal
11 illness means the individual has a life expectancy of six months
12 or less as stated in writing by his or her attending physician and
13 surgeon. A "life-threatening illness" means the individual has an
14 illness that can lead to a possibility of a termination of life within
15 five years or less as stated in writing by his or her attending
16 physician and surgeon.

17 (C) Services for persons who are catastrophically and severely
18 disabled. A person who is catastrophically and severely disabled
19 means a person whose origin of disability was acquired through
20 trauma or nondegenerative neurologic illness, for whom it has
21 been determined that active rehabilitation would be beneficial and
22 to whom these services are being provided. Services offered by a
23 congregate living health facility to a person who is catastrophically
24 disabled shall include, but not be limited to, speech, physical, and
25 occupational therapy.

26 (3) A congregate living health facility license shall specify which
27 of the types of persons described in paragraph (2) to whom a
28 facility is licensed to provide services.

29 (4) (A) A facility operated by a city and county for the purposes
30 of delivering services under this section may have a capacity of
31 59 beds.

32 (B) A congregate living health facility not operated by a city
33 and county servicing persons who are terminally ill, persons who
34 have been diagnosed with a life-threatening illness, or both, that
35 is located in a county with a population of 500,000 or more persons,
36 or located in a county of the 16th class pursuant to Section 28020
37 of the Government Code, may have not more than 25 beds for the
38 purpose of serving persons who are terminally ill.

39 (C) A congregate living health facility not operated by a city
40 and county serving persons who are catastrophically and severely

1 disabled, as defined in subparagraph (C) of paragraph (2) that is
2 located in a county of 500,000 or more persons may have not more
3 than 12 beds for the purpose of serving persons who are
4 catastrophically and severely disabled.

5 (5) A congregate living health facility shall have a
6 noninstitutional, homelike environment.

7 (j) (1) "Correctional treatment center" means a health facility
8 operated by the Department of Corrections and Rehabilitation, the
9 Department of Corrections and Rehabilitation, Division of Juvenile
10 Facilities, or a county, city, or city and county law enforcement
11 agency that, as determined by the state department, provides
12 inpatient health services to that portion of the inmate population
13 who do not require a general acute care level of basic services.
14 This definition shall not apply to those areas of a law enforcement
15 facility that houses inmates or wards that may be receiving
16 outpatient services and are housed separately for reasons of
17 improved access to health care, security, and protection. The health
18 services provided by a correctional treatment center shall include,
19 but are not limited to, all of the following basic services: physician
20 and surgeon, psychiatrist, psychologist, nursing, pharmacy, and
21 dietary. A correctional treatment center may provide the following
22 services: laboratory, radiology, perinatal, and any other services
23 approved by the state department.

24 (2) Outpatient surgical care with anesthesia may be provided,
25 if the correctional treatment center meets the same requirements
26 as a surgical clinic licensed pursuant to Section 1204, with the
27 exception of the requirement that patients remain less than 24
28 hours.

29 (3) Correctional treatment centers shall maintain written service
30 agreements with general acute care hospitals to provide for those
31 inmate physical health needs that cannot be met by the correctional
32 treatment center.

33 (4) Physician and surgeon services shall be readily available in
34 a correctional treatment center on a 24-hour basis.

35 (5) It is not the intent of the Legislature to have a correctional
36 treatment center supplant the general acute care hospitals at the
37 California Medical Facility, the California Men's Colony, and the
38 California Institution for Men. This subdivision shall not be
39 construed to prohibit the Department of Corrections and

1 Rehabilitation from obtaining a correctional treatment center
2 license at these sites.

3 (k) "Nursing facility" means a health facility licensed pursuant
4 to this chapter that is certified to participate as a provider of care
5 either as a skilled nursing facility in the federal Medicare Program
6 under Title XVIII of the federal Social Security Act (42 U.S.C.
7 Sec. 1395 et seq.) or as a nursing facility in the federal Medicaid
8 Program under Title XIX of the federal Social Security Act (42
9 U.S.C. Sec. 1396 et seq.), or as both.

10 (l) Regulations defining a correctional treatment center described
11 in subdivision (j) that is operated by a county, city, or city and
12 county, the Department of Corrections and Rehabilitation, or the
13 Department of Corrections and Rehabilitation, Division of Juvenile
14 Facilities, shall not become effective prior to, or if effective, shall
15 be inoperative until January 1, 1996, and until that time these
16 correctional facilities are exempt from any licensing requirements.

17 (m) "Intermediate care facility/developmentally
18 disabled-continuous nursing (ICF/DD-CN)" means a homelike
19 facility with a capacity of four to eight, inclusive, beds that
20 provides 24-hour personal care, developmental services, and
21 nursing supervision for persons with developmental disabilities
22 who have continuous needs for skilled nursing care and have been
23 certified by a physician and surgeon as warranting continuous
24 skilled nursing care. The facility shall serve medically fragile
25 persons who have developmental disabilities or demonstrate
26 significant developmental delay that may lead to a developmental
27 disability if not treated. ICF/DD-CN facilities shall be subject to
28 licensure under this chapter upon adoption of licensing regulations
29 in accordance with Section 1275.3. A facility providing continuous
30 skilled nursing services to persons with developmental disabilities
31 pursuant to Section 14132.20 or 14495.10 of the Welfare and
32 Institutions Code shall apply for licensure under this subdivision
33 within 90 days after the regulations become effective, and may
34 continue to operate pursuant to those sections until its licensure
35 application is either approved or denied.

36 SEC. 2. Article 7.2 (commencing with Section 1323.5) is added
37 to Chapter 2 of Division 2 of the Health and Safety Code, to read:

Article 7.2. Small House Skilled Nursing Facilities

1323.5. (a) For purposes of this article, the following definitions apply:

(1) “Home” means an apartment, home, or other similar unit that serves ~~10~~ 12 or fewer residents.

(2) “Small house skilled nursing facility (SHSNF)” or “facility” means a skilled nursing facility that ~~is either a stand-alone home or that consists of more than one home~~, licensed pursuant to this article, ~~article~~ for the purposes of providing skilled nursing care in a homelike, noninstitutional ~~setting~~. *setting and is one of the following:*

(A) *A stand-alone home.*

(B) *A facility that consists of more than one home.*

(C) *A distinct area within an existing skilled nursing facility that otherwise meets the definition of home, pursuant to paragraph (1), has been dedicated to the small house model, has a distinct entry, and has no through traffic of staff, residents, or visitors not affiliated with the household.*

(3) “Versatile worker” means a certified nursing assistant who provides personal care, socialization, *activity aide services*, meal preparation services, and *laundry and housekeeping services*.

(b) Commencing January 1, 2014, a facility may be licensed by the department pursuant to this article if the facility meets all of the following requirements:

~~(1) The facility shall be certified to participate as a provider of care either as a skilled nursing facility in the federal Medicare Program under Title XVIII of the federal Social Security Act (42 U.S.C. Sec. 1395 et seq.) or as a nursing facility in the federal Medicaid Program under Title XIX of the federal Social Security Act (42 U.S.C. Sec. 1396 et seq.), or as both.~~

~~(2)~~

(1) The facility shall comply with all state laws and regulations that govern skilled nursing facilities, except as provided in this paragraph. If regulations are in conflict with any provision of this article, the department or the Office of Statewide Health Planning and Development may waive one or more of these regulations in order to permit these facilities to implement the provision and meet licensure requirements, if the department or the office determines that doing so will not jeopardize the health and safety of a facility’s

1 residents. In making this determination, the department or office
2 shall consider whether the practice contained in the provision has
3 been demonstrated safely in other states, and shall also consider
4 peer-reviewed research.

5 ~~(3)~~

6 (2) To the extent permitted under federal law, the facility shall
7 provide meals cooked on the premises of each home, and not
8 prepared in a central kitchen and transported to the home.

9 ~~(4)~~

10 (3) To the extent permitted under federal law, the facility shall
11 utilize versatile workers for purposes of resident care.

12 ~~(5)~~

13 (4) The facility shall meet all federal and state direct care
14 staffing requirements for skilled nursing facilities, ~~or no less than~~
15 ~~four hours per resident per day, whichever is greater.~~ All direct
16 care staff shall be onsite, awake, and available within each home
17 at all times.

18 ~~(6)~~

19 (5) The facility shall provide for consistent staff assignments
20 and ~~self-directed~~ *self-managed* work teams of direct care staff
21 ~~supervised by a leadership team member who is not acting as a~~
22 ~~nurse or nursing supervisor in the home.~~ *Licensed nursing staff*
23 *shall direct the versatile workers in all activities delegated under*
24 *the licensed nurses' scope of practice. A versatile worker may be*
25 *supervised by nonclinical staff at the discretion of the facility.*

26 ~~(7)~~

27 (6) (A) The facility shall provide training for all staff involved
28 in the operation of the home ~~for not less than 120 hours for each~~
29 ~~versatile worker and not less than 60 hours for each leadership and~~
30 ~~clinical team member,~~ to be completed prior to initial operation
31 of the home, concerning the philosophy, operations, and skills
32 required to implement and maintain self-directed care,
33 self-managed work teams, a noninstitutional approach to long-term
34 care, safety and emergency skills, food handling and safety, and
35 other elements necessary for the successful operation of the home.
36 *Versatile workers and other staff interacting with residents in the*
37 *homes shall demonstrate proficiency in these areas as well as the*
38 *facility's policies and procedures, conflict resolution, and*
39 *self-directed care principles.*

1 (B) Replacement staff shall undergo the training described in
2 subparagraph (A) within six weeks of commencing employment
3 with the facility.

4 (C) Any staff members who are employed on a short-term,
5 temporary basis due to permanent staff illness or unexpected
6 absence are exempt from the training requirements specified in
7 subparagraph (A).

8 ~~(8) (A) To the extent permitted under federal law, the facility~~
9 ~~shall ensure that the percentage of residents in each facility who~~
10 ~~are short-stay rehabilitation residents does not exceed 20 percent~~
11 ~~at any time, except that a long-term resident returning to a facility~~
12 ~~after a hospital stay who is receiving rehabilitation services for~~
13 ~~which payment is made under the Medicare Program under Title~~
14 ~~XVIII of the federal Social Security Act (42 U.S.C. Sec. 1395 et~~
15 ~~seq.), shall not be counted toward this limitation.~~

16 ~~(B) Subparagraph (A) does not apply to a facility that is licensed~~
17 ~~pursuant to this article as a facility that solely provides~~
18 ~~rehabilitation services.~~

19 (9)

20 (7) To the extent permitted under federal law, each home shall
21 consist of a homelike, rather than institutional, environment,
22 including the following characteristics:

23 (A) The home shall be accessible to disabled persons, and shall
24 be designed as a house ~~or, an apartment, or a distinct area within~~
25 ~~an existing skilled nursing facility that meets the standards~~
26 ~~described in subdivision (a)~~ that is similar to housing available
27 within the surrounding community, that includes shared areas that
28 would only be commonly shared in a private home or apartment.

29 (B) The home shall not, to the extent practicable, contain
30 institutional features. These include, but are not limited to, nursing
31 stations, medication carts, room numbers, and wall-mounted
32 licenses or certificates that could appropriately be accessed through
33 other means.

34 (C) (i) The home shall include *resident rooms that*
35 *accommodate not more than two residents per room. Facilities*
36 *are encouraged to include private, single-occupancy bedrooms*
37 *that are shared only at the request of a resident to accommodate a*
38 *spouse, partner, family member, or friend, and that contain a full*
39 *private and accessible bathroom.*

1 (ii) Double occupancy rooms shall contain a full private and
2 accessible bathroom, and each resident's bedroom area shall be
3 visually separated from the other by a full height wall or a
4 permanently installed sliding door, folding door, or partition.
5 Walls, doors, or partitions used to separate resident bedroom
6 areas shall provide visual and acoustic separation. A door leading
7 to each resident's bedroom area in addition to the corridor door
8 is not required.

9 (iii) Each resident shall have direct use of, and access to, an
10 exterior window at all times.

11 (D) The home shall contain a living area where residents and
12 staff may socialize, dine, and prepare food together that provides,
13 at a minimum, a living room seating area, a dining area large
14 enough to accommodate all residents and at least two staff
15 members, and a full kitchen that may be utilized by residents.

16 (E) The home shall contain ample natural light ~~with window~~
17 ~~areas, not including skylights, being a minimum of 10 percent of~~
18 ~~the area of each room.~~

19 (F) The home shall have built-in safety features to allow all
20 areas of the facility to be accessible to residents during the majority
21 of the day and night.

22 (G) The home shall provide access to secured outdoor space.

23 (H) The home shall endeavor to create an aging in place
24 environment where long-stay residents may form permanent homes
25 with each other.

26 (c) The facility shall be certified to participate as a provider of
27 care either as a skilled nursing facility in the federal Medicare
28 Program under Title XVIII of the federal Social Security Act (42
29 U.S.C. Sec. 1395 et seq.) or as a nursing facility in the federal
30 Medicaid Program under Title XIX of the federal Social Security
31 Act (42 U.S.C. Sec. 1396 et seq.), or both.

32 ~~(e) Within two months of receipt of a license application, the~~
33 ~~department shall notify the applicant of any information necessary~~
34 ~~to process the application. The department shall review each~~
35 ~~application and render a decision within six months of receipt of~~
36 ~~the application.~~

37 (d) The department and the Office of Statewide Health Planning
38 and Development shall consult with providers, employee
39 organizations, consumer advocates, and other interested
40 stakeholders, including groups with demonstrated experience in

1 small house skilled nursing facility operations, on the physical,
2 operational, and other aspects of small house skilled nursing
3 facilities.

4 (e) The department shall adopt regulations to implement this
5 section.

6 SEC. 3. No reimbursement is required by this act pursuant to
7 Section 6 of Article XIII B of the California Constitution because
8 the only costs that may be incurred by a local agency or school
9 district will be incurred because this act creates a new crime or
10 infraction, eliminates a crime or infraction, or changes the penalty
11 for a crime or infraction, within the meaning of Section 17556 of
12 the Government Code, or changes the definition of a crime within
13 the meaning of Section 6 of Article XIII B of the California
14 Constitution.

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Thursday, April 26, 2012

Senate Committee Approves New Type of Nursing Home

by David Gorn

A new idea elbowed its way into the familiar pile of health care legislation in the Senate Committee on Health yesterday. A nursing home model -- the "Green House Project" -- bucks the cold, institutional feel of many long-term care facilities.

"SB 1228 is a transformative bill that will eliminate red tape and save money. It is a revolutionary model of care," Senate member Elaine Alquist (D-San Jose) said, presenting her bill to the committee yesterday.

"It puts the 'home' back into nursing home," Alquist said.

The idea is to have a small facility laid out like a regular home, with living areas such as a dining room and kitchen, as well as a private room and bathroom for each patient. The problem is, Alquist said, California's regulatory framework doesn't allow the concept.

"The current statutory framework in California is [based on] the old model of care," Alquist said, "for traditional, institutional nursing homes."

David Pierce of Mt. San Antonio Gardens, a continuing care center in Pomona, said his organization has been pursuing approval to create a Green House home for years.

"We have actively sought approval to build Green House homes," Pierce said. "We have educated, discussed and negotiated with agencies since 2008. Our approval process has been slow-paced and frustrating. And we do not have final approval to date."

"I'm glad to move this bill," Senate member Lois Wolk (D-Davis) said. "It is an excellent idea."

"We've been moving toward this goal of having more home-like care in people's elder years," Alquist said. "I think we need to get going in this area."

The **bill** had no organized opposition at the hearing, and passed on a 6-3 vote. It now heads to Appropriations.

Back to Capitol Desk

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COUNCIL AGENDA ITEM DETAIL SHEET

BILL NUMBER/ISSUE: SB 1267– Genetic Information Privacy Act

BILL SUMMARY: Sponsored by the author, this bill would establish the Genetic Information Privacy Act, which would provide that an individual's genetic information, as defined, is protected by the right of privacy and may not be released or used without express, signed consent (except in specific situations.)

BACKGROUND: Genetic testing is currently utilized to test for genetic disorders, pre-dispositions to certain diseases and disorders, and DNA testing. Existing law prohibits discrimination (genetic testing added to Unruh Civil Rights Acts and Fair Employment and Housing protections and Genetic Information and Non-Discrimination Act.)

However, secretive collection of genetic materials (DNA samples) and the future use of that material for other reasons are not specifically governed under privacy laws.

ANALYSIS/DISCUSSION: This bill would provide that genetic information is protected by the constitutional right of privacy and would specify that genetic information shall not be obtained, analyzed, retained or disclosed without the written authorization of the individual to whom the information pertains. In addition, the individual may designate for what purpose the material will be used, and when the purpose is complete, the material will be destroyed.

The only manner of permissible disclosure of data would be by "anonymized" data (data with all identifiable information removed) for research or statistical purposes.

The bill also provides for penalties when any of the privacy requirements are violated.

COUNCIL STRATEGIC PLAN OBJECTIVE: Goal #10 Individuals with developmental disabilities understand their options regarding health services and have access to a full range of coordinated health, dental and mental health services in their community.

PRIOR COUNCIL ACTIVITY: None

STAFF RECOMMENDATION(S): Support SB 1267

ATTACHMENT(S): SB 1267

PREPARED: Melissa C. Corral May 24, 2012

AMENDED IN SENATE MAY 1, 2012

AMENDED IN SENATE MARCH 27, 2012

SENATE BILL

No. 1267

Introduced by Senator Padilla

February 23, 2012

An act to add Chapter 2.6 (commencing with Section 56.18) to Part 2.6 of Division 1 of the Civil Code, relating to genetic information.

LEGISLATIVE COUNSEL'S DIGEST

SB 1267, as amended, Padilla. Genetic Information Privacy Act.

Existing law prohibits discrimination on the basis of genetic information under various provisions of law, including, among others, the Unruh Civil Rights Act and the California Fair Employment and Housing Act. Existing law prohibits discrimination in the enrollment of health insurance plans on the basis of an individual's genetic characteristics, as defined. Existing law also imposes prohibitions on the disclosure by a health care service plan of the results of a test for a genetic characteristic contained in an applicant's or enrollee's medical records.

This bill would establish the Genetic Information Privacy Act, which would provide that an individual's genetic information, as defined, is protected by the right of privacy, *as specified*. The bill would, notwithstanding any other law, prohibit any person, as defined, from obtaining, analyzing, or disclosing genetic information without the written authorization of the individual to whom the information pertains, as specified, ~~and. The bill would establish civil and criminal penalties for a violation of this prohibition, as specified. However, this~~ *The bill would require a separate written authorization for each separate disclosure of an individual's genetic information. The bill would also*

provide a written authorization form to be used to obtain the written authorization described above.

This bill would exempt certain individuals from these the prohibitions and penalties described above, including, among others, law enforcement officials in the execution of their official duties, as specified, and hospitals, laboratories, and physicians carrying out court-ordered tests, licensed health care professionals in medical emergencies, coroners and medical examiners in the execution of their official duties, any screening of newborn infants required by state or federal law, and. The bill would permit disaggregated and anonymized data, as defined, that was either collected before the bill's enactment or if written consent is obtained to be used, as specified, without the authorization described above. The bill would also permit the use of disaggregated and anonymized data, as specified, if the written authorization described above is obtained and the data is used for a purpose authorized by the individual to whom the information pertains. By creating new crimes, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act because it creates new crimes.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Chapter 2.6 (commencing with Section 56.18)
- 2 is added to Part 2.6 of Division 1 of the Civil Code, to read:
- 3
- 4 CHAPTER 2.6. GENETIC PRIVACY
- 5
- 6 56.18. (a) This chapter shall be known, and may be cited, as
- 7 the Genetic Information Privacy Act.
- 8 (b) For purposes of this chapter, the following definitions apply:
- 9 (1) "Anonymized" means data from which an individual's
- 10 identifying information has been removed.

1 (2) “DNA sample” means any human biological specimen that
2 is obtained or retained for the purpose of extracting and analyzing
3 DNA to perform a genetic test.

4 (3) “Genetic characteristic” includes a gene, chromosome, or
5 alteration thereof that may be tested to determine the existence or
6 risk of a disease, disorder, trait, propensity, or syndrome, or to
7 identify an individual or a blood relative.

8 (4) “Genetic information” means, with respect to an individual,
9 information ~~about~~ *obtained from* the genetic tests of the individual,
10 the genetic tests of the individual’s family members, and the
11 manifestation of a disease or disorder in family members of the
12 individual. The term includes a request for, or receipt of, genetic
13 services, or participation in clinical research that includes genetic
14 services, by the individual or a family member of the individual.
15 *Genetic information includes a DNA sample.*

16 (5) “Genetic service” means a genetic test, genetic education,
17 or genetic counseling, including obtaining, interpreting, or
18 assessing genetic information.

19 (6) “Genetic test” means a test for determining the presence or
20 absence of genetic characteristics in an individual or the
21 individual’s blood relatives, including tests of nucleic acids such
22 as DNA, RNA, and mitochondrial DNA, chromosomes, or proteins
23 in order to diagnose or determine a genetic characteristic.

24 (7) “Person” means an individual, partnership, corporation,
25 association, business, business trust, or legal representative of an
26 organization.

27 56.19. (a) Genetic information is protected by the right of
28 privacy *pursuant to Article I of Section 1 of the California*
29 *Constitution*, and, notwithstanding subdivision (c) of Section 56.10,
30 or any other law, shall not be obtained, analyzed, retained, or
31 disclosed without the written authorization of the individual *to*
32 *whom the information pertains* pursuant to subdivision (g). *A*
33 *separate written authorization is required for each separate*
34 *disclosure of an individual’s genetic information.*

35 (b) Any person who negligently violates subdivision (a) shall
36 be assessed a civil penalty in an amount not to exceed one thousand
37 dollars (\$1,000) plus court costs, as determined by the court, which
38 penalty and costs shall be paid to the individual to whom the
39 genetic information pertains.

1 (c) Any person who willfully violates subdivision (a) shall be
2 assessed a civil penalty in an amount not less than one thousand
3 dollars (\$1,000) and not more than five thousand dollars (\$5,000)
4 plus court costs, as determined by the court, which penalty and
5 costs shall be paid to the individual to whom the genetic
6 information pertains.

7 (d) Any person who willfully or negligently violates subdivision
8 (a) and the violation results in economic, bodily, or emotional
9 harm to the individual to whom the genetic information pertains,
10 is guilty of a misdemeanor punishable by a fine not to exceed ten
11 thousand dollars (\$10,000).

12 (e) In addition to the penalties listed in subdivisions (b) and (c),
13 a person who commits an act described in subdivision (b) or (c)
14 shall be liable to the person to whom the genetic information
15 pertains for all actual damages, including damages for economic,
16 bodily, or emotional harm which is proximately caused by the act.

17 (f) Each violation of this section is a separate and actionable
18 offense.

19 (g) (1) The written authorization required by this section shall
20 satisfy all of the following requirements:

21 ~~(1) Is~~

22 (A) *The written authorization shall be written in plain language*
23 *and is be in a typeface no smaller than 14-point type.*

24 ~~(2) Is~~

25 (B) *The written authorization shall be dated and signed by the*
26 *individual to whom the information pertains or a person authorized*
27 *to act on behalf of the individual.*

28 ~~(3) Specifies the types of persons authorized to obtain, analyze,~~
29 ~~or disclose genetic information about the individual.~~

30 ~~(4) Specifies the nature of the genetic information authorized~~
31 ~~to be obtained, analyzed, or disclosed.~~

32 ~~(5) States the name or functions of the persons or entities~~
33 ~~authorized to obtain, analyze, or receive the information.~~

34 ~~(6) Specifies the purposes for which the information is collected.~~

35 ~~(7) Specifies the length of time the authorization shall remain~~
36 ~~valid.~~

37 ~~(8) Specifies whether the genetic information may be used for~~
38 ~~any commercial purpose.~~

39 ~~(9) Specifies whether the genetic information shall remain~~
40 ~~identifiable or shall be made nonidentifiable.~~

1 (10) If the information is retained, specifies the manner in which
2 the information shall be stored.

3 (11) Requires the destruction of the genetic information and
4 sample after the specific purpose for which the consent was granted
5 has been fulfilled.

6 (12) Permits the individual to limit access to the information to
7 a certain person or persons.

8 (13) Permits the individual to revoke his or her consent in
9 writing at any time.

10 (14) Advises the individual signing the authorization of the right
11 to receive a copy of the authorization. Written authorization is
12 required for each separate disclosure of the genetic information.

13 (h) This section shall not apply to the following:

14 (C) The written authorization shall be a separate document,
15 not attached to any other document, and shall not be more than
16 one page.

17 (2) Any person who obtains, analyzes, retains, or discloses the
18 genetic information of an individual shall use the following written
19 form to obtain the authorization of the individual to whom the
20 information pertains as required by subdivision (a) so that the
21 individual may make a decision and provide direction regarding
22 the use of his or her genetic information:

23 *Important Privacy Choices*

24 *You have the right to control the use of your genetic information*
25 *that you give to us. Please read the following information carefully*
26 *before you make your choices below.*

27
28 *Important Information Regarding Your Genetic Information:*

29 • *The following types of people are authorized to obtain, analyze,*
30 *retain, or disclose your genetic information:* _____

31 • *The following is the nature of the genetic information that you*
32 *are authorizing to be obtained, analyzed, retained, or disclosed:*
33 _____

34 • *The following is the name of the person(s) authorized to obtain,*
35 *analyze, retain, or disclose your genetic information and his*
36 *or her function:* _____

37 • *Your genetic information is being collected for the following*
38 *purpose:* _____

39 *Unless you say otherwise as indicated below, your genetic*
40 *information may not be used for any other purpose.*

- 1 • This authorization shall remain valid for as long as it takes to
2 carry out the purpose indicated above.
3 • The genetic information you give us will remain (____)
4 identifiable or (____) will be made nonidentifiable.
5 • If we retain your genetic information, the following is the
6 manner in which it will be stored: _____
7

8 Your Rights Regarding Your Genetic Information:

- 9 • You have the right to limit the purposes for which your genetic
10 information is used.
11 • Once we fulfill the purpose(s) you have authorized in this form,
12 we are required by law to destroy the genetic information and
13 sample that you provide us.
14 • You are permitted to limit access to your genetic information
15 to a certain person or persons.
16 • You are permitted to revoke this authorization at any time.
17 • You have a right to a copy of this authorization.
18

19 Your Choices Regarding Your Genetic Information:

- 20 () In addition to the purpose noted above, I authorize my
21 genetic information to be used for research purposes.
22 () In addition to the purpose noted above, I authorize my
23 genetic information to be used for commercial purposes.
24 () I would like to limit the purpose for which my genetic
25 information is authorized to be used in the following
26 way: _____
27 () I would like to limit access to my genetic information to the
28 following person or persons: _____
29 () I would like to receive a copy of this authorization.
30 () I would like to revoke this authorization.
31

32 (h) Any person who obtains, analyzes, retains, or discloses the
33 genetic information of an individual shall comply with the
34 following:

- 35 (1) The person may not obtain, analyze, retain, or disclose the
36 genetic information for any purpose other than the purpose
37 authorized by the individual to whom the information pertains.
38 (2) Once the specific purpose authorized by the individual to
39 whom the genetic information pertains has been fulfilled, the

1 individual's genetic information and DNA sample shall be
2 destroyed.

3 (3) The person shall permit an individual to limit access to his
4 or her genetic information to a certain person or persons.

5 (4) The person shall permit an individual to revoke an
6 authorization signed pursuant to subdivision (g) at any time.

7 (5) The person shall provide an individual who has signed an
8 authorization pursuant to subdivision (g) with a copy of that
9 authorization upon request.

10
11 (i) Genetic information may be obtained, analyzed, retained,
12 or disclosed without the authorization provided in subdivision (g)
13 in the following instances provided that the entity may obtain,
14 analyze, retain, or disclose the information only for the specified
15 purposes indicated, and any use for any other purpose is subject
16 to the authorization required in subdivision (a):

17 (1) A law enforcement official in the execution of his or her
18 official duties *consistent with existing law*.

19 (2) A hospital, laboratory, or physician carrying out
20 court-ordered tests for genetic information.

21 (3) A licensed health care professional, as defined in Section
22 56.05, in medical emergencies.

23 (4) A coroner or medical examiner in the execution of his or
24 her official duties *consistent with existing law*.

25 ~~(5) Disaggregated and anonymized data that was collected before~~
26 ~~the enactment of the act adding this section.~~

27 ~~(6)~~

28 (5) Any screening of newborn infants required by state or federal
29 law.

30 ~~(7) Disaggregated and anonymized data if written consent under~~
31 ~~subdivision (g) is obtained.~~

32 (j) *Disaggregated and anonymized data that was collected*
33 *before the enactment of the act adding this section may be obtained,*
34 *analyzed, retained, or disclosed without the authorization provided*
35 *in subdivision (g).*

36 (k) *Disaggregated and anonymized data may be obtained,*
37 *analyzed, retained, or disclosed if written authorization under*
38 *subdivision (g) is obtained and the data is used for a purpose*
39 *authorized by the individual to whom the information pertains.*

1 SEC. 2. No reimbursement is required by this act pursuant to
2 Section 6 of Article XIII B of the California Constitution because
3 the only costs that may be incurred by a local agency or school
4 district will be incurred because this act creates a new crime or
5 infraction, eliminates a crime or infraction, or changes the penalty
6 for a crime or infraction, within the meaning of Section 17556 of
7 the Government Code, or changes the definition of a crime within
8 the meaning of Section 6 of Article XIII B of the California
9 Constitution.

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AMENDED IN ASSEMBLY MAY 17, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2338

Introduced by Assembly Members Chesbro and Beall

February 24, 2012

An act to amend Sections 4646.5 and 4868 of, and to add Section 4869 to, the Welfare and Institutions Code, relating to developmental services.

LEGISLATIVE COUNSEL'S DIGEST

AB 2338, as amended, Chesbro. Developmental services: Employment First Policy.

The Lanterman Developmental Disabilities Services Act authorizes the State Department of Developmental Services to contract with regional centers to provide support and services to individuals with developmental disabilities. The services and supports to be provided to a regional center consumer are contained in an individual program plan (IPP), developed in accordance with prescribed requirements.

Existing law requires the State Council on Developmental Disabilities to, among other responsibilities, form a standing Employment First Committee to identify strategies and recommend legislative, regulatory, and policy changes to increase integrated employment, as defined, self-employment, and microenterprises for persons with developmental disabilities, as specified.

This bill would define competitive employment, microenterprises, and self-employment for these purposes. This bill would require each regional center planning team, when developing an individual program plan for a transition age youth or working age adult, to consider a specified Employment First Policy. The bill would also require regional

centers to ensure that consumers, beginning at 16 years of age, and, where appropriate, other specified persons, are provided with information about the Employment First Policy, about options for integrated competitive employment, and about services and supports, including postsecondary education, available to enable the consumer to transition from school to work, and to achieve the outcomes of obtaining and maintaining integrated competitive employment. The bill would authorize the department to request information from regional centers on current and planned activities related to the Employment First Policy.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 4646.5 of the Welfare and Institutions
- 2 Code is amended to read:
- 3 4646.5. (a) The planning process for the individual program
- 4 plan described in Section 4646 shall include all of the following:
- 5 (1) Gathering information and conducting assessments to
- 6 determine the life goals, capabilities and strengths, preferences,
- 7 barriers, and concerns or problems of the person with
- 8 developmental disabilities. For children with developmental
- 9 disabilities, this process should include a review of the strengths,
- 10 preferences, and needs of the child and the family unit as a whole.
- 11 Assessments shall be conducted by qualified individuals and
- 12 performed in natural environments whenever possible. Information
- 13 shall be taken from the consumer, his or her parents and other
- 14 family members, his or her friends, advocates, authorized
- 15 representative, if applicable, providers of services and supports,
- 16 and other agencies. The assessment process shall reflect awareness
- 17 of, and sensitivity to, the lifestyle and cultural background of the
- 18 consumer and the family.
- 19 (2) A statement of goals, based on the needs, preferences, and
- 20 life choices of the individual with developmental disabilities, and
- 21 a statement of specific, time-limited objectives for implementing
- 22 the person's goals and addressing his or her needs. These objectives
- 23 shall be stated in terms that allow measurement of progress or
- 24 monitoring of service delivery. These goals and objectives should
- 25 maximize opportunities for the consumer to develop relationships,

1 be part of community life in the areas of community participation,
2 housing, work, school, and leisure, increase control over his or her
3 life, acquire increasingly positive roles in community life, and
4 develop competencies to help accomplish these goals.

5 (3) When developing individual program plans for children,
6 regional centers shall be guided by the principles, process, and
7 services and support parameters set forth in Section 4685.

8 (4) When developing an individual program plan for a transition
9 age youth or working age adult, the planning team shall consider
10 the Employment First Policy described in Chapter 14 (commencing
11 with Section 4868).

12 (5) A schedule of the type and amount of services and supports
13 to be purchased by the regional center or obtained from generic
14 agencies or other resources in order to achieve the individual
15 program plan goals and objectives, and identification of the
16 provider or providers of service responsible for attaining each
17 objective, including, but not limited to, vendors, contracted
18 providers, generic service agencies, and natural supports. The
19 individual program plan shall specify the approximate scheduled
20 start date for services and supports and shall contain timelines for
21 actions necessary to begin services and supports, including generic
22 services.

23 (6) When agreed to by the consumer, the parents, legally
24 appointed guardian, or authorized representative of a minor
25 consumer, or the legally appointed conservator of an adult
26 consumer or the authorized representative, including those
27 appointed pursuant to subdivision (d) of Section 4548, subdivision
28 (b) of Section 4701.6, and subdivision (c) of Section 4705, a review
29 of the general health status of the adult or child including a medical,
30 dental, and mental health needs shall be conducted. This review
31 shall include a discussion of current medications, any observed
32 side effects, and the date of the last review of the medication.
33 Service providers shall cooperate with the planning team to provide
34 any information necessary to complete the health status review. If
35 any concerns are noted during the review, referrals shall be made
36 to regional center clinicians or to the consumer's physician, as
37 appropriate. Documentation of health status and referrals shall be
38 made in the consumer's record by the service coordinator.

39 (7) (A) The development of a transportation access plan for a
40 consumer when all of the following conditions are met:

1 (i) The regional center is purchasing private, specialized
2 transportation services or services from a residential, day, or other
3 provider, excluding vouchered service providers, to transport the
4 consumer to and from day or work services.

5 (ii) The planning team has determined that a consumer's
6 community integration and participation could be safe and
7 enhanced through the use of public transportation services.

8 (iii) The planning team has determined that generic
9 transportation services are available and accessible.

10 (B) To maximize independence and community integration and
11 participation, the transportation access plan shall identify the
12 services and supports necessary to assist the consumer in accessing
13 public transportation and shall comply with Section 4648.35. These
14 services and supports may include, but are not limited to, mobility
15 training services and the use of transportation aides. Regional
16 centers are encouraged to coordinate with local public
17 transportation agencies.

18 (8) A schedule of regular periodic review and reevaluation to
19 ascertain that planned services have been provided, that objectives
20 have been fulfilled within the times specified, and that consumers
21 and families are satisfied with the individual program plan and its
22 implementation.

23 (b) For all active cases, individual program plans shall be
24 reviewed and modified by the planning team, through the process
25 described in Section 4646, as necessary, in response to the person's
26 achievement or changing needs, and no less often than once every
27 three years. If the consumer or, where appropriate, the consumer's
28 parents, legal guardian, authorized representative, or conservator
29 requests an individual program plan review, the individual program
30 shall be reviewed within 30 days after the request is submitted.

31 (c) (1) The department, with the participation of representatives
32 of a statewide consumer organization, the Association of Regional
33 Center Agencies, an organized labor organization representing
34 service coordination staff, and the Organization of Area Boards
35 shall prepare training material and a standard format and
36 instructions for the preparation of individual program plans, which
37 embodies an approach centered on the person and family.

38 (2) Each regional center shall use the training materials and
39 format prepared by the department pursuant to paragraph (1).

1 (3) The department shall biennially review a random sample of
2 individual program plans at each regional center to ensure that
3 these plans are being developed and modified in compliance with
4 Section 4646 and this section.

5 ~~SEC. 2. Section 4868 of the Welfare and Institutions Code is~~
6 ~~amended to read:~~

7 ~~4868. (a) The State Council on Developmental Disabilities~~
8 ~~shall form a standing Employment First Committee consisting of~~
9 ~~the following members:~~

10 ~~(1) One designee of each of the members of the state council~~
11 ~~specified in subparagraphs (B), (C), (D), (F), and (H) of paragraph~~
12 ~~(2) of subdivision (b) of Section 4521.~~

13 ~~(2) A member of the consumer advisory committee of the state~~
14 ~~council.~~

15 ~~(b) In carrying out the requirements of this section, the~~
16 ~~committee shall meet and consult, as appropriate, with other state~~
17 ~~and local agencies and organizations, including, but not limited~~
18 ~~to, the Employment Development Department, the Association of~~
19 ~~Regional Center Agencies, one or more supported employment~~
20 ~~provider organizations, an organized labor organization~~
21 ~~representing service coordination staff, and one or more consumer~~
22 ~~family member organizations.~~

23 ~~(c) The responsibilities of the committee shall include, but need~~
24 ~~not be limited to, all of the following:~~

25 ~~(1) Identifying the respective roles and responsibilities of state~~
26 ~~and local agencies in enhancing integrated and gainful employment~~
27 ~~opportunities for people with developmental disabilities.~~

28 ~~(2) Identifying strategies, best practices, and incentives for~~
29 ~~increasing integrated employment and gainful employment~~
30 ~~opportunities for people with developmental disabilities, including,~~
31 ~~but not limited to, ways to improve the transition planning process~~
32 ~~for students 14 years of age or older, and to develop partnerships~~
33 ~~with, and increase participation by, public and private employers~~
34 ~~and job developers.~~

35 ~~(3) Identifying existing sources of employment data and~~
36 ~~recommending goals for, and approaches to, measuring progress~~
37 ~~in increasing integrated employment and gainful employment of~~
38 ~~people with developmental disabilities.~~

39 ~~(4) Recommending legislative, regulatory, and policy changes~~
40 ~~for increasing the number of individuals with developmental~~

1 disabilities in integrated employment, self-employment, and
2 microenterprises and who earn wages at or above minimum wage,
3 including, but not limited to, recommendations for improving
4 transition planning and services for students with developmental
5 disabilities who are 14 years of age or older. This shall include,
6 but shall not be limited to, the development of a policy with the
7 intended outcome of significantly increasing the number of
8 individuals with developmental disabilities who engage in
9 integrated employment, self-employment, and microenterprises
10 and in the number of individuals who earn wages at or above
11 minimum wage. This proposed policy shall be in furtherance of
12 the intent of this division that services and supports be available
13 to enable persons with developmental disabilities to approximate
14 the pattern of everyday living available to people without
15 disabilities of the same age and that support their integration into
16 the mainstream life of the community, and that those services and
17 supports result in more independent, productive, and normal lives
18 for the persons served. The proposed policy shall not limit service
19 and support options otherwise available to consumers, or the rights
20 of consumers, or, where appropriate, parents, legal guardians, or
21 conservators to make choices in their own lives.

22 (d) For purposes of this chapter, the following definitions shall
23 apply:

24 (1) "Competitive employment" means work in the competitive
25 labor market that is performed on a full-time or part-time basis in
26 an integrated setting and for which an individual is compensated
27 at or above the minimum wage, but not less than the customary
28 wage and level of benefits paid by the employer for the same or
29 similar work performed by individuals who are not disabled.

30 (2) "Integrated employment" means "integrated work" as
31 defined in subdivision (o) of Section 4851.

32 (3) "Microenterprises" means small businesses owned by
33 individuals with developmental disabilities who have control and
34 responsibility for decisionmaking and overseeing of the business;
35 with accompanying business licenses, taxpayer identification
36 numbers other than social security numbers, and separate business
37 bank accounts. Microenterprises may be considered integrated
38 competitive employment.

39 (4) "Self-employment" means an employment setting in which
40 an individual works in a chosen occupation, for profit or fee, in

1 his or her own small business, with control and responsibility for
2 decisions affecting the conduct of the business.

3 ~~(e) The committee, by July 1, 2011, and annually thereafter,~~
4 ~~shall provide a report to the appropriate policy committees of the~~
5 ~~Legislature and to the Governor describing its work and~~
6 ~~recommendations. The report due by July 1, 2011, shall include~~
7 ~~the proposed policy described in paragraph (4) of subdivision (e).~~

8 *SEC. 2. Section 4868 of the Welfare and Institutions Code is*
9 *amended to read:*

10 4868. (a) The State Council on Developmental Disabilities
11 shall form a standing Employment First Committee consisting of
12 the following members:

13 (1) One designee of each of the members of the state council
14 specified in subparagraphs (B), (C), (D), (F), and (H) of paragraph
15 (2) of subdivision (b) of Section 4521.

16 (2) A member of the consumer advisory committee of the state
17 council.

18 (b) In carrying out the requirements of this section, the
19 committee shall meet and consult, as appropriate, with other state
20 and local agencies and organizations, including, but not limited
21 to, the Employment Development Department, the Association of
22 Regional Center Agencies, one or more supported employment
23 provider organizations, an organized labor organization
24 representing service coordination staff, and one or more consumer
25 family member organizations.

26 (c) The responsibilities of the committee shall include, but need
27 not be limited to, all of the following:

28 (1) Identifying the respective roles and responsibilities of state
29 and local agencies in enhancing integrated and gainful employment
30 opportunities for people with developmental disabilities.

31 (2) Identifying strategies, best practices, and incentives for
32 increasing integrated employment and gainful employment
33 opportunities for people with developmental disabilities, including,
34 but not limited to, ways to improve the transition planning process
35 for students 14 years of age or older, and to develop partnerships
36 with, and increase participation by, public and private employers
37 and job developers.

38 (3) Identifying existing sources of employment data and
39 recommending goals for, and approaches to measuring progress

1 in, increasing integrated employment and gainful employment of
2 people with developmental disabilities.

3 (4) Recommending legislative, regulatory, and policy changes
4 for increasing the number of individuals with developmental
5 disabilities in integrated employment, self-employment, and
6 microenterprises, and who earn wages at or above minimum wage,
7 including, but not limited to, recommendations for improving
8 transition planning and services for students with developmental
9 disabilities who are 14 years of age or older. This shall include,
10 but shall not be limited to, the development of an ~~Employment~~
11 ~~First Policy~~, *a policy with the intended outcome of which is a*
12 ~~significant increase in~~ *significantly increasing* the number of
13 individuals with developmental disabilities who engage in
14 integrated employment, self-employment, and microenterprises,
15 and in the number of individuals who earn wages at or above
16 minimum wage. This proposed policy shall be in furtherance of
17 the intent of this division that services and supports be available
18 to enable persons with developmental disabilities to approximate
19 the pattern of everyday living available to people without
20 disabilities of the same age and that support their integration into
21 the mainstream life of the community, and that those services and
22 supports result in more independent, productive, and normal lives
23 for the persons served. The proposed ~~Employment First Policy~~
24 *policy* shall not limit service and support options otherwise
25 available to consumers, or the rights of consumers, or, where
26 appropriate, parents, legal guardians, or conservators to make
27 choices in their own lives.

28 (d) For purposes of this chapter, ~~“integrated employment” shall~~
29 ~~have the same definition as “integrated work” as defined in~~
30 ~~subdivision (e) of Section 4851. the following definitions shall~~
31 *apply:*

32 (1) *“Competitive employment” means work in the competitive*
33 *labor market that is performed on a full-time or part-time basis*
34 *in an integrated setting and for which an individual is compensated*
35 *at or above the minimum wage, but not less than the customary*
36 *wage and level of benefits paid by the employer for the same or*
37 *similar work performed by individuals who are not disabled.*

38 (2) *“Integrated employment” means “integrated work” as*
39 *defined in subdivision (o) of Section 4851.*

1 (3) "Microenterprises" means small businesses owned by
2 individuals with developmental disabilities who have control and
3 responsibility for decisionmaking and overseeing of the business,
4 with accompanying business licenses, taxpayer identification
5 numbers other than social security numbers, and separate business
6 bank accounts. Microenterprises may be considered integrated
7 competitive employment.

8 (4) "Self-employment" means an employment setting in which
9 an individual works in a chosen occupation, for profit or fee, in
10 his or her own small business, with control and responsibility for
11 decisions affecting the conduct of the business.

12 (e) The committee, by July 1, 2011, and annually thereafter,
13 shall provide a report to the appropriate policy committees of the
14 Legislature and to the Governor describing its work and
15 recommendations. The report due by July 1, 2011, shall include
16 the proposed ~~Employment First Policy~~ policy described in
17 paragraph (4) of subdivision (c).

18 SEC. 3. Section 4869 is added to the Welfare and Institutions
19 Code, to read:

20 4869. (a) (1) ~~It is the policy of the state that integrated,~~
21 ~~competitive employment is the priority outcome for working age~~
22 ~~individuals with developmental disabilities. In furtherance of the~~
23 ~~intent of this division to make services and supports available to~~
24 ~~enable persons with developmental disabilities to approximate the~~
25 ~~pattern of everyday living available to people without disabilities~~
26 ~~of the same age, to support the integration of persons with~~
27 ~~developmental disabilities into the mainstream life of the~~
28 ~~community, and to bring about more independent, productive, and~~
29 ~~normal lives for the persons served, it is the policy of the state that~~
30 ~~opportunities for integrated, competitive employment shall be~~
31 ~~given the highest priority for working age individuals with~~
32 ~~development disabilities, regardless of the severity of their~~
33 ~~disabilities. This policy shall be known as the Employment First~~
34 ~~Policy.~~

35 (2) ~~This policy is in furtherance of the intent of this division to~~
36 ~~make services and supports available to enable persons with~~
37 ~~developmental disabilities to approximate the pattern of everyday~~
38 ~~living available to people without disabilities of the same age, to~~
39 ~~support the integration of persons with developmental disabilities~~

1 into the mainstream life of the community, and to bring about more
2 independent, productive, and normal lives for the persons served.

3 (3)

4 (2) Implementation of the policy shall be consistent with, and
5 shall not infringe upon, the rights established pursuant to this
6 division, including the right of people with developmental
7 disabilities to make informed choices with respect to services and
8 supports through the individual program planning process.

9 (4)

10 (3) Integrated competitive employment is intended to be the
11 first option considered by planning teams for working age
12 individuals, but individuals may choose goals other than integrated
13 competitive employment.

14 (5)

15 (4) This chapter shall not be construed to expand the existing
16 entitlement to services for persons with developmental ~~services~~
17 *disabilities* described in this division.

18 (b) Regional centers shall ensure that consumers, beginning at
19 16 years of age, and, where appropriate, their parents, legal
20 guardians, or conservators, are provided with information, in a
21 language that the consumer and, as appropriate, the consumer's
22 representative understand, about the Employment First Policy,
23 about options for integrated competitive employment, and about
24 services and supports, including postsecondary education, available
25 to enable the consumer to transition from school to work, and to
26 achieve the outcomes of obtaining and maintaining integrated
27 competitive employment.

28 (c) The department may request information from regional
29 centers on current and planned activities related to the Employment
30 First Policy.

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California STATE BUDGET 2012-13



EDMUND G. BROWN JR. GOVERNOR, STATE OF CALIFORNIA

INTRODUCTION

The 2012 Budget Act closes a \$15.7 billion budget gap and rebuilds a nearly \$1 billion reserve. It builds upon important reforms enacted last year—public safety realignment and the elimination of redevelopment agencies. It reforms welfare to refocus the program on returning individuals to work, merges the delivery of services for those who are eligible for both Medi-Cal and Medicare to reduce costs and improve services, and overhauls California’s correctional system. The Budget also protects education and public safety programs, makes government more efficient and less costly, moves government closer to the people, and pays down debt.

While the state continues to face budget risks and pressures, the plan puts California on its most stable financial footing in years. Under current projections, the Budget would be balanced on an ongoing basis for the first time in over a decade. This fiscal stability will make California more attractive for business, investment, and the creation of jobs.

The Budget reinvests in schools and universities. Spending for K-14 schools increases by 14 percent—providing \$6.7 billion in additional funding, \$6.1 billion to schools and \$570 million to community colleges. The University of California and the California State University are provided increased funding in 2013-14, contingent upon the passage of The Schools and Local Public Safety Protection Act, to hold tuition level next year.

General Fund spending outside of Proposition 98 is projected to decline by \$1.5 billion, or 2.8 percent, excluding a required repayment of \$2.1 billion the state borrowed from local government in 2009. At its peak in 2007-08, General Fund spending was \$103 billion. Given the deep spending cuts included in the 2011 Budget and the 2012 Budget, overall General Fund spending is now \$91.3 billion, \$11.6 billion lower than five years earlier. General Fund spending as a share of the economy is down to its lowest level since 1972-73. By the same measure, total state spending is at the same level as the mid-1990s.

CLOSING THE BUDGET GAP

In closing the \$15.7 billion gap, the Budget relies on deep spending reductions combined with temporary taxes and other actions. In total, as shown in Figure INT-01, the Budget reduces expenditures by \$8.1 billion. Temporary taxes assumed to be approved by the voters at the November election and other targeted revenue increases total \$6 billion. Other solutions of \$2.5 billion were also adopted. The total of \$16.6 billion in changes balances the Budget and leaves the state with a reserve of nearly \$1 billion.

Figure INT-01
Closing the Budget Gap
(Dollars in Millions)

	Two-year total	%
Expenditure Reductions	\$8,089	49
Revenues	6,033	36
Other	2,518	15
Total Solutions	\$16,640	

The Budget permanently reduces spending to a sustainable level, protects education and public safety to the greatest extent possible, and provides a basic safety net for the most vulnerable. Figure INT-02 details the reductions included in the Budget. While cutting spending, the Budget also restructures programs to improve outcomes and reduce spending:

- Reforms CalWORKs by establishing a 2-year time limit for parents who are not meeting federal work requirements. (Savings of \$469 million.)
- Merges the delivery of services for those who are eligible for both Medi-Cal and Medicare to reduce costs and improve the coordination of services. (Savings of \$612 million.)

- Eliminates the Healthy Families Program and transitions children to Medi-Cal to build a unified and simpler system that provides health care at a lower cost. (Savings of \$13 million.)
- Restructures funding for trial courts and makes funding for the Judiciary more transparent. The state assumed funding responsibility for trial courts in 1997. The Budget alters the funding structure for trial courts consistent with the goals of the reform legislation. (Savings of \$544 million.)

Figure INT-02
Budget Balancing Proposals
(Dollars in Millions)

Expenditure Reductions ^{1/}

Health and Human Services

Medi-Cal	\$1,234.0
CalWORKs	469.1
In-Home Supportive Services	52.2
Other Health and Human Services Programs	91.2

Education

Proposition 98	1,885.7
Child Care	294.3
Cal Grant Program	133.5
Other Education	35.7

All Other Reductions

Redevelopment Assets	1,479.0
State Mandates	828.3
Judiciary	544.0
Employee Compensation	528.6
Other Reductions	513.5

Expenditure Reductions	\$8,089.1	49%
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Revenues

Temporary Taxes	\$5,579.8
Other Revenues	453.5

Revenues	\$6,033.3	36%
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Other

Loan Repayment Extensions	\$1,158.3
Transfers and Loans from Special Funds	612.2
Additional Weight Fee Revenues	385.2
Unemployment Insurance Interest Payment	312.6
All Other	49.5

Other	\$2,517.8	15%
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Total	\$16,640.2
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^{1/} Includes Vetoes

INTRODUCTION

- Prohibits colleges and universities that are unable to meet minimum performance standards from participating in the Cal Grant Program. Phases in additional cost-containment measures over time. (Savings of \$134 million.)
- Reforms the state process for K-14 education mandates by providing a block grant as an alternative to the existing, inefficient claiming process. For nonschool mandates, provides a multiyear suspension of most mandates to provide greater flexibility to local governments. (Savings of \$729 million.)

The Budget also reflects the following spending reductions:

- Reduces the cost of state employee compensation by 5 percent. (Savings of \$402 million.)
- Implements various reductions to hospital and nursing home funding to lower Medi-Cal costs. (Savings of \$432 million.)
- Reduces funding for child care programs and eliminates 14,000 child care slots. (Savings of \$294 million.)
- Creates a framework to transfer cash assets previously held by redevelopment agencies to cities, counties, and special districts to fund core public services. Assets transferred to schools will offset General Fund costs. (Savings of \$1.5 billion.)
- Makes various adjustments, including using a 2011-12 overappropriation of the minimum guarantee to prepay Proposition 98 funding required by a court settlement. (Savings at \$1.9 billion.)

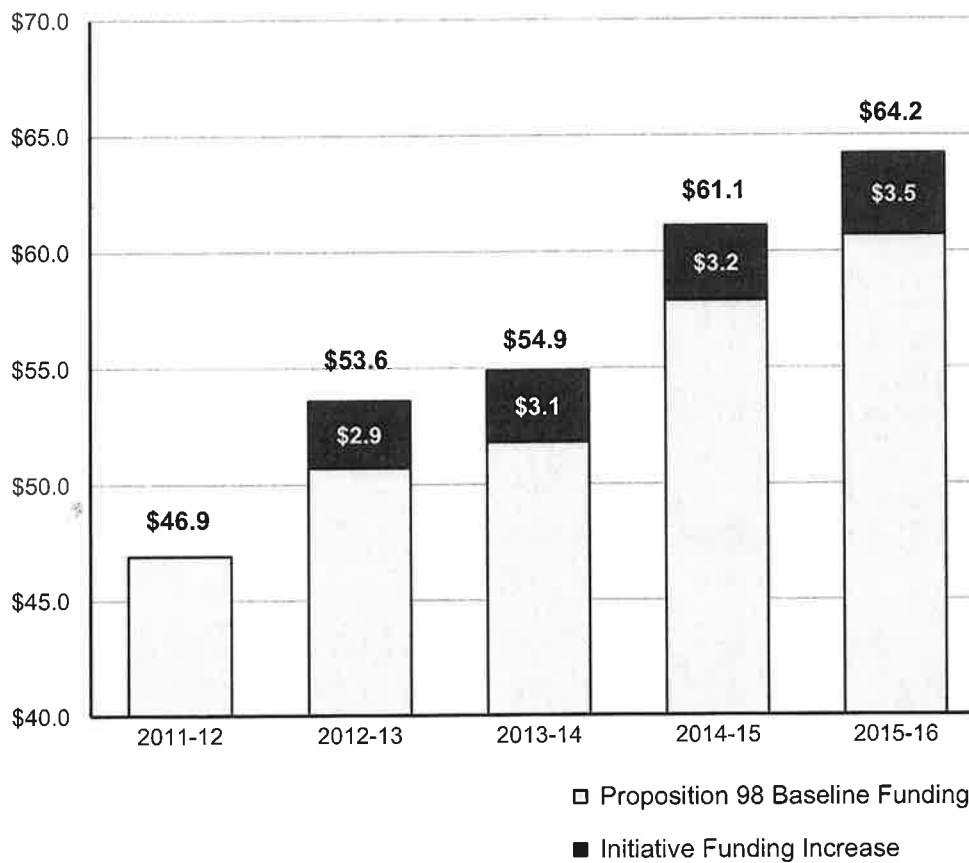
TEMPORARY TAXES TO PROTECT EDUCATION AND PUBLIC SAFETY

The Budget assumes the passage of The Schools and Local Public Safety Protection Act at the November election. The measure temporarily increases the personal income tax on the state's wealthiest taxpayers for seven years and increases the sales tax by one-quarter percent for four years. The measure guarantees these new revenues to schools. The measure will generate an estimated \$8.5 billion through 2012-13. These revenues will enable the state to meet its existing Proposition 98 obligation and to increase funding for schools and community colleges by an additional \$2.9 billion. The measure will provide a net benefit to the General Fund of \$5.6 billion. In addition, the measure constitutionally guarantees the 2011 Realignment funds for local

public safety. The measure will prevent deeper cuts to schools, protect local public safety funding, and assist in balancing the Budget.

The Budget reverses years of cuts in funding for schools and community colleges. As shown in Figure INT-03, K-14 education funding would increase by \$17.2 billion, or 37 percent, and per pupil funding would increase by over \$2,500 in the next four years. The measure will enable the state to reduce the payments to schools that are deferred each year from \$10.4 billion to \$8.2 billion.

Figure INT-03
K-14 Funding Increases by \$17 Billion Over 4 Years
(Dollars in billions)



The budget plan dedicates \$250 million in future funding to hold tuition at the state's universities level. Contingent upon the passage of the Governor's tax initiative, an adopted 9 percent tuition hike at the California State University would be rolled back and tuition at the University of California would remain flat for the upcoming academic year.

ALTERNATIVE TO REVENUES IS DEEPER CUTS

The California Constitution requires that the annual state budget be balanced. To pay the state's bills on time, the Budget must be credible and financeable. After more than a decade of putting off dealing with its budget problems, the state must restore a long-term balance between its revenues and spending. Consequently, the Budget includes a backup plan—trigger cuts—if the ballot measure is not approved.

To balance the Budget in an ongoing manner, the deep reductions enacted over the past two years must be maintained. Without additional revenues, deeper cuts will be required. As education spending accounts for more than 50 percent of General Fund spending and the Budget substantially increases K-14 spending and protects the University of California and California State University from deeper cuts, schools and universities would be most affected if the tax initiative fails in November.

The ballot trigger cuts totaling \$6 billion, as summarized in Figure INT-04, would go into effect on January 1, 2013 if The Schools and Local Public Safety Protection Act is not approved by voters in November:

Figure INT-04 Ballot Trigger Reductions (Dollars in Millions)	
Expenditure Reductions	2012-13
Proposition 98	\$5,353.8
University of California ^{1/}	250.0
California State University ^{1/}	250.0
Developmental Services	50.0
City Police Departments: Grants	20.0
Department of Forestry and Fire Protection	10.0
Flood Control	6.6
Local Water Safety Patrol	5.0
Fish and Game: Non-Warden Programs	2.5
Park Lifeguards	1.4
Fish and Game: Wardens	1.0
Department of Justice	1.0
Park Rangers	0.1
Total	\$5,951.4

^{1/} This level of savings may be offset by Cal Grant increases if the universities raise tuition.

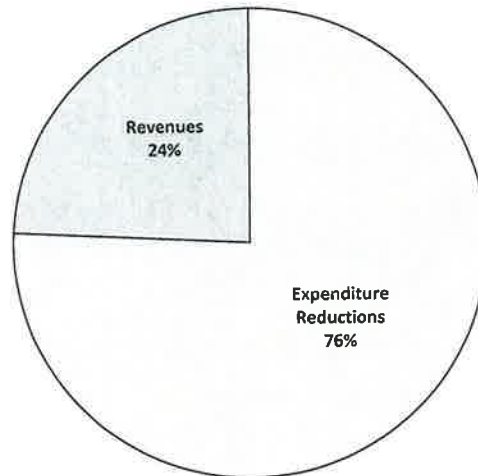
- Funding for schools and community colleges would be reduced by \$5.4 billion. A reduction of this magnitude would result in a funding decrease equivalent to the cost of three weeks of instruction. The cut would also continue to provide 20 percent of program funds a year in arrears.
- The University of California and California State University would each be reduced by \$250 million.

If the ballot measure is not approved, the state would reduce funding for a variety of public safety programs. Grants to local law enforcement for water safety patrol would be reduced, and grants for city police would be eliminated. The Department of Forestry and Fire Protection's firefighting capabilities would be reduced. The number of the state's public safety officers in the departments of Parks and Recreation (park rangers) and Fish and Game (wardens) would be reduced, and the state would no longer staff its beaches with lifeguards. Flood control programs in the Department of Water Resources would be cut, which would reduce channel and levee maintenance and floodplain mapping. The Department of Justice's law enforcement programs would be reduced. Services to individuals with developmental disabilities would be reduced.

RESTORING AND MAINTAINING FISCAL STABILITY

Over a year ago, the state faced estimated annual gaps between spending and revenues of roughly \$20 billion. The state's fiscal challenges were exacerbated by unprecedented levels of debts, deferrals, and budgetary obligations accumulated over the prior decade. The 2011 and 2012 budgets have rejected the past approach of over-relying on one-time solutions. As shown in Figure INT-05, the last two budgets addressed this deficit through three dollars of ongoing spending reductions for every dollar of tax increases. Specifically, 76 percent of the structural deficit has been addressed through spending cuts in health and human services, corrections, education, and other areas. Under current projections, and assuming voter approval of The Schools and Local Public Safety Protection Act, the Budget will be balanced in an ongoing manner. This represents the first time in over a decade that future spending is expected to stay within available revenues.

Figure INT-05
2011 and 2012 Actions Balance Budget on an Ongoing Basis



The two budgets reflect the following:

- Realigning public safety programs to bring government closer to the people. The 2012 Budget implements a permanent allocation structure for future realignment revenues.
- Implementing a downsizing plan for the California Department of Corrections and Rehabilitation. The plan is intended to satisfy the U.S. Supreme Court's order requiring reduced crowding and end federal court oversight in health care and other areas. It will reverse the trend of prison spending consuming a growing percentage of the General Fund budget. Over time, spending will decline from 11 percent to 7.5 percent of the General Fund.
- Eliminating redevelopment agencies to increase funding for schools, police, fire, and other core local services.
- Refocusing the state's welfare program on getting people back to work. The total number of months an adult can receive a monthly cash benefit has been reduced from 60 months to 48 months. Furthermore, the benefit is only provided to the adult for up to 24 months unless the individual is meeting federal work requirements.
- Making tough cuts across state government. Grants to low-income seniors and persons with disabilities (State Supplementary Payment) have been reduced

to 1983 levels. CalWORKs grants have been reduced to below 1987 levels. General Fund support for the state's universities was cut by nearly 25 percent. The Williamson Act subventions, the child care and dependent tax credit, and the Healthy Families Program were eliminated.

The Administration has focused on shrinking state government and making it more efficient. These changes will help the state keep its budget balanced for the long term. Progress includes:

- Reducing the state workforce by more than 30,000 positions on a permanent basis. The state workforce is at its lowest level as a share of the state's population in almost a decade. California already had the nation's fifth lowest level of government employment in 2010.
- Eliminating over 50 boards, commissions, task forces, offices, and departments.
- Reorganizing state government to improve the management and coordination of government activities, facilitate further efficiencies and reduce costs. The Administration's reorganization plan is scheduled to go into effect in July. The plan cuts the number of state agencies from 12 to 10 and consolidates and aligns related programs and departments.
- Reducing the wall of debt of budgetary deferrals and borrowing from \$35 billion a year ago to less than \$9 billion by the end of 2015-16 under the budget plan.
- Overall General Fund spending is down from its peak of \$103 billion in 2007-08 to \$91.3 billion, a decrease of \$11.6 billion, or 11.3 percent. As a share of the economy, General Fund spending is at its lowest level since 1972-73.
- Overall, as a share of the economy, total state spending is at the same level as in the mid-1990s. However, since 2007-08, spending has increased by \$4.4 billion, or 3.2 percent due to four programs—the imposition of the hospital fee, the payoff of borrowing from local governments authorized in 2009, the start of cap and trade revenue collections, and the expected construction of high speed rail. All other spending is down by nearly 5 percent over the period.

Even with this plan, risks to the budget remain. Potential cost increases associated with actions to reduce the federal deficit, federal government and court decisions, the pace of the economic recovery, an aging population, and rising health care costs all threaten the ability of the state to achieve and maintain a balanced budget over the long term. In addition, the exact level of capital gains and income growth for top earners remains uncertain. The scope of these risks and uncertainties underscores how important it is to hold the line on spending, both now and into the future.

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SUMMARY CHARTS

This section provides various statewide budget charts and tables.

Figure SUM-01
General Fund Budget Summary
Adopted Budget
(Dollars in Millions)

	2011-12	2012-13
Prior Year Balance	-\$2,685	-\$2,882
Revenues and Transfers	\$86,830	\$95,887
Total Resources Available	\$84,145	\$93,005
Non-Proposition 98 Expenditures	\$53,938	\$54,534
Proposition 98 Expenditures	\$33,089	\$36,804
Total Expenditures	\$87,027	\$91,338
Fund Balance	-\$2,882	\$1,667
Reserve for Liquidation of Encumbrances	\$719	\$719
Special Fund for Economic Uncertainties	-\$3,601	\$948
Budget Stabilization Account	-	-
Total Available Reserve	-\$3,601	\$948

Figure SUM-02
General Fund Budget Summary
Problem Definition
(Dollars in Millions)

	2011-12	2012-13
Prior Year Balance	-\$2,508	-\$6,879
Revenues and Transfers	\$83,238	\$88,137
Total Resources Available	\$80,730	\$81,258
Non-Proposition 98 Expenditures	\$54,195	\$59,074
Proposition 98 Expenditures	\$33,414	\$37,157
Total Expenditures	\$87,609	\$96,231
Fund Balance	-\$6,879	-\$14,973
Reserve for Liquidation of Encumbrances	\$719	\$719
Special Fund for Economic Uncertainties	-\$7,598	-\$15,692
Budget Stabilization Account	-	-
Total Available Reserve	-\$7,598	-\$15,692

Figure-SUM-03
2012-13 Revenue Sources
 (Dollars in Millions)

	General Fund	Special Funds	Total	Change From 2011-12
Personal Income Tax	\$60,268	\$1,338	\$61,606	\$7,569
Sales and Use Tax	20,605	10,390	30,995	2,338
Corporation Tax	8,488	-	8,488	280
Highway Users Taxes	-	5,670	5,670	39
Motor Vehicle Fees	27	5,705	5,732	-158
Insurance Tax	2,089	436	2,525	112
Estate Tax	45	-	45	45
Liquor Tax	337	-	337	6
Tobacco Taxes	90	757	847	-29
Other	3,938	12,719	16,657	1,673
Total	\$95,887	\$37,015	\$132,902	\$11,875

Note: Numbers may not add due to rounding.

Figure-SUM-04
2012-13 Total Expenditures by Agency
 (Dollars in Millions)

	General Fund	Special Funds	Bond Funds	Totals
Legislative, Judicial, Executive	\$2,056	\$3,081	\$220	\$5,357
State and Consumer Services	689	716	14	1,419
Business, Transportation & Housing	448	7,698	8,744	16,890
Natural Resources	1,900	2,459	876	5,235
Environmental Protection	46	1,043	213	1,302
Health and Human Services	26,695	18,639	159	45,493
Corrections and Rehabilitation	8,887	31	1	8,919
K-12 Education	37,848	88	949	38,885
Higher Education	9,432	41	495	9,968
Labor and Workforce Development	342	398	-	740
General Government				
Non-Agency Departments	487	1,669	3	2,159
Tax Relief/Local Government	2,531	1,716	-	4,247
Statewide Expenditures	-23	1,830	-	1,807
Total	\$91,338	\$39,409	\$11,674	\$142,421

Note: Numbers may not add due to rounding.

Figure SUM-05
2012-13 Vetoes by Agency
General, Special, and Bond Funds
(Dollars in Millions)

	Legislative Spending Plan	General Fund Vetoes	Special Fund and Bond Fund Vetoes	Totals
Legislative, Judicial, Executive	\$5,357	-	-	\$5,357
State and Consumer Services	1,419	-	-	1,419
Business, Transportation & Housing	16,894	-	-4	16,890
Natural Resources	5,256	-	-21	5,235
Environmental Protection	1,302	-	-	1,302
Health and Human Services	45,521	-28	-	45,493
Corrections and Rehabilitation	8,919	-	-	8,919
K-12 Education	38,969	-84	-	38,885
Higher Education	9,991	-23	-	9,968
Labor and Workforce Development	740	-	-	740
General Government				
Non-Agency Departments	2,161	-2	-	2,159
Tax Relief/Local Government	4,247	-	-	4,247
Statewide Expenditures	1,799	8	-	1,807
Total	\$142,575	-\$129	-\$25	\$142,421

Note: Numbers may not add due to rounding.

REVENUE ESTIMATES

The 2012 Budget Act General Fund revenue forecast is \$86.8 billion for 2011-12 and \$95.9 billion for 2012-13.

The Budget Act is based on the assumed passage of the Governor's tax initiative. The Governor's proposal temporarily increases income tax rates on the highest income Californians, and temporarily increases the Sales and Use Tax rate by 0.25 percent. These two provisions result in a revenue increase of \$8.5 billion for the Budget. The Governor's initiative will replace some of the revenues lost in the recession as the state's economy slowly recovers.

ADOPTED SOLUTIONS

The Budget includes the following new policy changes that will affect General Fund revenue:

- *Change Rules Regarding Franchise Tax Board (FTB) Wage Garnishment*—This provision will allow the FTB to issue a wage garnishment against delinquent income tax debt without requiring FTB to record a tax lien. This provision will allow FTB to more efficiently collect outstanding tax debt and provide a benefit to individuals with outstanding tax debts because it removes an incentive for FTB to record a lien. This change is expected to generate \$11 million General Fund revenue in 2011-12 and \$27 million General Fund revenue in 2012-13.

REVENUE ESTIMATES

- *Expansion of Financial Institutions Record Match (FIRM)*—As part of the 2011-12 Budget, FTB was granted authority to use FIRM, which requires financial institutions to participate in a record match process between financial institution customer records and FTB debtor records. The Budget expands this authority to the Board of Equalization and Employment Development Department tax programs to facilitate the collection of delinquent tax debt. This change is expected to generate \$4 million General Fund revenue in 2011-12 and \$11 million General Fund revenue in 2012-13.

K THRU 12 EDUCATION

The Budget includes total funding of \$68.4 billion (\$37.9 billion General Fund and \$30.5 billion other funds) for all K-12 Education programs.

PROPOSITION 98

A voter-approved constitutional amendment, Proposition 98, guarantees minimum funding levels for K-12 schools and community colleges. The guarantee, which went into effect in the 1988-89 fiscal year, determines funding levels according to multiple factors including the level of funding in 1986-87, General Fund revenues, per capita personal income and school attendance growth or decline.

For 2012-13, the Proposition 98 guarantee is \$53.6 billion, of which \$36.8 billion is General Fund. This funding level assumes passage of the Governor's tax initiative, which increases Proposition 98 funding by \$2.9 billion in 2012-13. With the passage of the tax initiative, Proposition 98 funding for K-14 education will grow by more than \$17 billion over four years. This equates to an increase of over \$2,500 per K-12 pupil. This level of funding will allow the state to begin restoring significant reductions that have been imposed on K-12 schools and community colleges since 2007-08. For 2012-13, the Budget will maintain level Proposition 98 programmatic funding for every school district, pay off \$2.2 billion in the amount of payments to schools and community colleges that are deferred each year, and fund the Quality Education Investment Act (QEIA) program within the Proposition 98 guarantee.

The Budget outlines the reductions that would be necessary to restore balance if the Governor's tax initiative is not approved by the voters. Specifically, \$5.4 billion in reductions to schools and community colleges would be triggered in 2012-13. A reduction of this magnitude would result in a funding decrease equivalent to three weeks of instruction in K-12 schools. It will also eliminate the ability for the state to begin repaying funding deferrals, thus continuing the practice of providing 20 percent of annual school and community college program funds in arrears.

The sections that follow provide an overview of K-12 funding adjustments, while the Higher Education section contains the Proposition 98 adjustments for the Community Colleges.

K-12 BUDGET ADJUSTMENTS

ADOPTED SOLUTIONS:

- *Redevelopment Agency Asset Liquidation*—An increase of \$1.3 billion in local property taxes for 2012-13 to reflect the distribution of cash assets previously held by redevelopment agencies. The increase in local revenue reduces Proposition 98 General Fund by an identical amount.
- *Proposition 98 Adjustments*—A decrease of approximately \$630 million due to (1) eliminating the hold-harmless adjustment provided to schools from the elimination of the sales tax on gasoline in 2010-11, and (2) using a consistent current value methodology to rebench the guarantee for the exclusion of child care programs, the inclusion of special education mental health services, as well as new and existing property tax shifts. Additionally, the Budget reduces current year appropriations for a number of different programs by \$220.1 million, backfilling them with one-time Proposition 98 General Fund, which achieves General Fund savings of a like amount.
- *Quality Education Investment Act*—A decrease of \$450 million General Fund for 2012-13. The overappropriation in 2011-12 will be used to prepay the \$450 million required to be provided on top of the minimum guarantee in 2012-13 pursuant to the *California Teachers Association v. Schwarzenegger* settlement agreement. The program will be funded within the guarantee to achieve one-time savings of \$450 million for 2012-13. Additionally, savings of \$181 million in 2013-14 and \$40.8 million in 2014-15 are achieved by using the remainder of the current year overappropriation to prepay a portion of the 2013-14 and 2014-15 QEIA obligations.

OTHER CHANGES:

- *K-12 Deferrals*—An increase of \$2.1 billion Proposition 98 General Fund to reduce K-12 inter-year budgetary deferrals from \$9.5 billion to \$7.4 billion.
- *Charter Schools*—An increase of \$53.7 million Proposition 98 General Fund for charter school categorical programs to fund growth in charter school enrollment. In addition to funding growth, legislation expands the ability of school districts to convey surplus property to charter schools, while also increasing financial assistance to charters by allowing county treasurers to provide them with short-term cash loans, and by authorizing charter schools to participate in the temporary revenue anticipation note mechanism already available to schools and county offices of education.
- *Mandates Block Grant*—An increase of \$86.2 million over the 2011-12 funding level to provide a total of \$166.6 million for K-12 mandates through a new voluntary block grant. Participating school districts and county offices of education would receive \$28 per student, while participating charter schools would receive \$14 per student. Districts and county offices of education that choose not to participate in the block grant program would retain their right to submit claims for reimbursement, subject to audit by the State Controller.

CHILD CARE AND STATE PRESCHOOL

Subsidized child care includes a variety of programs that are designed to support low-income families. These programs are primarily administered by the State Department of Education through non-Proposition 98 General Fund and the annual federal Child Care and Development Fund grant.

The state also funds preschool programs for half of the day that are primarily designed as an educational program to help ensure children develop the skills needed for success in school. Families must be income eligible, but in contrast to the rest of the subsidized child care system are not required to demonstrate a need for care.

ADOPTED SOLUTIONS:

- *Reduce Child Care Costs*—The Budget reflects total child care savings of \$294.3 million in non-Proposition 98 General Fund, resulting in the elimination of 14,000 child care slots. The reductions consist of the following:
 - *Include Center-Based Services within the State Preschool Program*—A decrease of \$163.9 million General Fund by including part-day center-based services for 3- and 4 year-olds within the State Preschool Program funded through Proposition 98.
 - *Reduce Provider Contracts Across the Board*—A decrease of \$100 million to reduce child care provider contracts, consisting of the following: (1) \$80 million to reduce contracts across the board by 8.7 percent, excluding CalWORKs Stage 1 and Stage 2 Child Care, resulting in the elimination of 10,600 child care slots, and (2) \$20 million to further reduce voucher-based programs, except for those serving current and former CalWORKs families, eliminating an additional 3,400 slots.
 - *Suspend Statutory Cost-of-Living Adjustment*—A decrease of \$30.4 million in 2012-13 by not providing the statutory COLA for non-CalWORKs programs. In addition, the Budget suspends the COLA for these programs until 2015-16, which results in total savings of \$73.3 million through 2014-15.

OTHER CHANGES:

- *State Preschool Programs*—The Budget reflects the following major adjustments to state preschool programs:
 - *Funding for the State Preschool Program*—An increase of \$163.9 million in Proposition 98 General Fund to cover the cost of part-day preschool services for 44,100 3- and 4-year olds.
 - *Assess Family Fees*—An increase of \$3.4 million in fee revenues by assessing fees to families who are currently exempt from paying fees for State Preschool Program services. This action will offset a like amount of Proposition 98 General Fund.
 - *Reduce Provider Contracts*—A decrease of \$30 million in Proposition 98 General Fund to reflect the 8.7-percent across the board reduction to general child care programs. Both preschool and general child care programs are

administered by Title 5 centers that contract directly with the Department of Education. This reduction results in the elimination of 12,500 preschool slots.

- *Suspend Statutory Cost-of-Living Adjustment*—A decrease of \$11.9 million in Proposition 98 General Fund.

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HIGHER EDUCATION

Higher Education includes the University of California (UC), the California State University (CSU), the California Community Colleges, the California Student Aid Commission (CSAC), and the Hastings College of the Law.

The Budget includes total funding of \$23.1 billion (\$11.6 billion General Fund and \$11.5 billion other funds) for all programs included in these agencies.

UNIVERSITY OF CALIFORNIA

Drawing from the top 12.5 percent of the state's high school graduates, UC educates approximately 237,800 undergraduate and graduate students at its ten campuses and is the primary institution authorized to independently award doctoral degrees and professional degrees in law, medicine, business, dentistry, veterinary medicine, and other programs. UC manages one U.S. Department of Energy national laboratory and partners with private industry to manage two others. UC also operates five medical centers that support the clinical teaching programs of the UC's medical and health sciences schools that handle more than 3.8 million patient visits each year.

OTHER CHANGES:

- *Eliminate Restrictions in UC's Budget*—The Budget removes various set-asides for specific programs and purposes, such as the Drew Medical Program, AIDS research, UC Merced, the Institutes for Science and Innovation, and the Summer School for

Mathematics and Science. Also, the Budget does not contain enrollment targets. The removal of these set-asides provides UC with greater flexibility to manage its \$750 million ongoing 2011-12 budget reduction.

- *Maintain Systemwide Tuition and Fees at 2011-12 Levels*—The Budget includes an increase of \$125 million General Fund in 2013-14 if UC maintains systemwide tuition and fees at 2011-12 levels (\$12,192) for 2012-13 and if the Governor's tax initiative is approved by the voters at the November 2012 statewide general election.
- *Trigger Reduction*—The Budget includes a decrease of \$250 million General Fund in 2012-13 for an unallocated reduction if the Governor's tax initiative is not approved.
- *Retirement Funding*—The Budget includes an ongoing increase of \$89.1 million for retirement program contributions.

CALIFORNIA STATE UNIVERSITY

Drawing students from the top one-third of the state's high school graduates, as well as transfer students who have successfully completed specified college work, CSU provides undergraduate degrees in a broad range of disciplines and graduate instruction through master's degrees and independently awards doctoral degrees in education, nursing practice, and physical therapy, or jointly with UC or private institutions in other fields of study. The CSU has 23 campuses and approximately 426,400 students. The CSU grants more than one-half of the state's bachelor's degrees and one-third of the state's master's degrees. It also produces over 50 percent of California's teachers.

OTHER CHANGES:

- *Eliminate Set-Asides in CSU's Budget*—The Budget removes various set-asides for specific programs and purposes, such as the Science and Math Teacher Initiative and nursing programs administered by CSU. Also, the Budget does not contain enrollment targets. The removal of these set-asides provides CSU with greater flexibility to manage its \$750 million ongoing 2011-12 budget reduction.
- *Maintain Systemwide Tuition and Fees at 2011-12 Levels*—The Budget includes an increase of \$125 million General Fund in 2013-14 if CSU maintains systemwide tuition and fees at 2011-12 levels (\$5,472) for 2012-13 and if the Governor's tax initiative is approved by the voters at the November 2012 statewide general election.

- *Trigger Reduction*—The Budget includes a decrease of \$250 million General Fund in 2012-13 for an unallocated reduction if the Governor's tax initiative is not approved.

CALIFORNIA COMMUNITY COLLEGES

The California Community Colleges are publicly supported local agencies that provide educational and vocational programs to approximately 2.6 million students. The Community College system is the largest system of higher education in the world, with 72 districts, 112 campuses, and 71 educational centers. By providing education, training, and services, the Community Colleges contribute to continuous workforce improvement. The Community Colleges also provide remedial instruction for hundreds of thousands of adults across the state through basic skills courses and adult non-credit instruction.

OTHER CHANGES:

- *Apportionments*—The Budget includes an increase of \$159.9 million Proposition 98 General Fund in 2012-13 for apportionment funding that will retire apportionment deferrals. Also, \$50 million will be available for general apportionment growth. Both of these apportionment adjustments are contingent on voter approval of the Governor's tax initiative at the November 2012 statewide general election.
- *Trigger Reduction*—The Budget includes a decrease of \$548.5 million Proposition 98 General Fund in 2012-13 for apportionment funding if the Governor's tax initiative is not approved by the voters at the November 2012 statewide general election. Of this amount, \$159.9 million would continue apportionment deferrals and \$388.6 million would be for an unallocated apportionment reduction.
- *Mandates Block Grant*—An increase of \$23.8 million Proposition 98 General Fund over the 2011-12 funding level, to provide a total of \$33.3 million for community college mandates through a new voluntary block grant. Participating community colleges would receive \$28 per student. Community Colleges that choose not to participate in the block grant program would retain their right to submit claims for reimbursement, subject to audits by the State Controller.
- *Redevelopment Agency Revenue*—The Budget includes \$451.1 million in 2012-13 to reflect revenue from the elimination of redevelopment agencies. Of this amount, \$211.5 million is from the liquidation of cash assets. In the event that a portion

of these revenues does not materialize for Community Colleges, the state will supplement with Proposition 98 General Fund to ensure that no negative fiscal effect will be borne by the Community Colleges.

CALIFORNIA STUDENT AID COMMISSION

The California Student Aid Commission administers state financial aid to students attending all institutions of public and private postsecondary education through a variety of programs including the Cal Grant High School and Community College Transfer Entitlement programs, the Competitive Cal Grant program, and the Assumption Program of Loans for Education. Over 91,000 students received new Cal Grant awards, and over 144,000 students received renewal awards in 2010-11.

ADOPTED SOLUTIONS:

- Restrict Cal Grant Program Participation to Institutions that Meet a New Graduation Rate Standard*—The Budget includes a decrease of \$55 million General Fund in 2012-13 to reflect: (1) a 30-percent minimum graduation rate standard for all participating Cal Grant institutions and (2) a reduction in the maximum student loan cohort default rate allowable by a participating Cal Grant institution from 30 percent to 15.5 percent. Loan cohort default rates measure the percentage of an institution's borrowers who, upon entering student loan repayment, default within three years. For 2012-13, any institution that drops below the graduation rate or exceeds the loan default rate will be prohibited from receiving Cal Grant program funds for new students and will receive 20 percent of the grant amount for continuing students for one academic year. Beginning in 2013-14, any institution that drops below the graduation rate or exceeds the loan default rate will be prohibited from receiving Cal Grant program funds for both new and continuing students for one academic year. These requirements will not apply to any institution with 40 percent or fewer of their students borrowing federal student loans to attend college, such as community colleges.
- Across the Board Reduction of Cal Grant Awards by Five Percent*—The Budget includes a decrease of \$22.6 million General Fund in 2012-13 by reducing the private, for-profit and private, non-profit institution award from \$9,708 to \$9,223, the Cal Grant B access award from \$1,551 to \$1,473, the Cal Grant C tuition and fee award from \$2,592 to \$2,462, and the Cal Grant C book and supply award from \$576 to \$547.

- *Change Cal Grant Award Amount for Private, For-Profit Institutions*—The Budget includes statutory changes that will lower the award amount for students attending private, for-profit schools to \$4,000 in 2013-14. This is expected to save \$12 million General Fund in 2013-14.
- *Change Cal Grant Award Amount for Private, Non-Profit Institutions*—The Budget includes statutory changes that will lower the award amount for students attending private, non-profit schools to \$9,084 in 2013-14 and to \$8,056 in 2014-15. This is expected to save \$4 million General Fund in 2013-14 and \$15 million General Fund in 2014-15.
- *Phase Out Student Loan Assumption Programs for Teachers and Nurses*—The Budget eliminates all new awards while continuing to fund remaining renewal awards. This is expected to save \$5.6 million General Fund beginning in 2013-14.
- *Offset Cal Grant Costs with Federal Temporary Assistance for Needy Families (TANF) Reimbursements*—The Budget includes \$803.8 million reimbursements in 2012-13 to reflect TANF funds available through an interagency agreement with the Department of Social Services. The TANF funds offset Cal Grant General Fund costs.
- *Offset Cal Grant Costs with Student Loan Operating Fund*—The Budget includes \$84.7 million Student Loan Operating Fund to offset Cal Grant program General Fund costs.

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HEALTH AND HUMAN SERVICES

The Health and Human Services Agency oversees departments and other state entities such as boards, commissions, councils, and offices that provide health and social services to California's vulnerable and at-risk residents.

The Budget includes total funding of \$105.1 billion (\$26.7 billion General Fund and \$78.4 billion other funds) for all programs overseen by this Agency.

DEPARTMENT OF HEALTH CARE SERVICES

Medi-Cal, California's Medicaid program, is administered by the Department of Health Care Services (DHCS). Medi-Cal is a public health insurance program that provides comprehensive health care services at no or low cost for low-income individuals including families with children, seniors, persons with disabilities, foster care children, and pregnant women.

ADOPTED SOLUTIONS:

- *Coordinated Care Initiative*—The Budget includes a Coordinated Care Initiative to integrate care for individuals who are enrolled in both Medi-Cal and Medicare. The Budget assumes that Medicare savings from this integration will be shared equally with the federal government. It also assumes decreased utilization of more expensive services, including nursing home stays and hospitalization. The Budget includes a payment deferral to accelerate the savings in 2012-13. This results in



HEALTH AND HUMAN SERVICES

approximately \$611.5 million in General Fund savings in 2012-13 and \$880.9 million when fully implemented.

- *Hospital Payment Changes*—The Budget includes a reduction in supplemental payments to private hospitals resulting in General Fund savings of \$150 million in 2012-13 and \$75 million in 2013-14. Direct grants and supplemental payments to designated public hospitals will also be reduced in 2013-14 for additional General Fund savings of \$41.5 million. Finally, the Budget assumes a delay in the transition to a new diagnosis-related group-based payment methodology for hospitals by six months and General Fund savings of \$75 million in 2013-14.
- *Unexpended Federal Waiver Funds*—The Budget assumes the state and designated public hospitals will use prior year waiver funds to access additional federal funding. The federal funds will be split equally between the state and designated public hospitals for General Fund savings of \$100 million in 2012-13 and \$9 million in 2013-14.
- *Non-Designated Public Hospital Payment Changes*—The Budget aligns the non-designated public hospital Medi-Cal funding with designated public hospitals funding methodology resulting in approximately \$94.5 million in ongoing General Fund savings. The Budget also authorizes additional funding to non-designated public hospitals to offset hospitals' uncompensated care costs—approximately \$85 million in 2012-13 and \$110 million in 2013-14.
- *Nursing Homes*—The Budget freezes nursing home rates during 2012-13 rather than providing a rate increase of up to 2.4 percent as authorized in prior law. The Budget also assumes a payment deferral to skilled nursing facilities in 2012-13 and ongoing. This results in \$87.8 million in General Fund savings in 2012-13.
- *Unpaid Stabilization Funding*—The Budget includes a one-time redirection of private and nondesignated public hospital stabilization funding to the General Fund for savings of \$42.9 million.
- *Proposition 10 Funding*—The Budget assumes that the First 5 California Children and Families Commission will provide \$40 million for programs serving children ages birth through five to achieve General Fund savings in 2012-13.
- *Preventable Hospital Admissions*—The Budget eliminates funding for services related to potentially preventable hospital admissions for Medi-Cal managed care as required by federal health care reform. This results in approximately \$30 million in General Fund savings in 2012-13.

- *Managed Health Care Expansion*—The Budget authorizes the expansion of Medi-Cal managed care health plan services to Medi-Cal beneficiaries living in 28 rural California counties who currently receive Medi-Cal services on a fee-for-service basis. This results in General Fund savings of \$2.7 million in 2012-13 and \$9 million in 2013-14.
- *Laboratory Services Rate Reduction*—The Budget reduces rates for laboratory services by 10 percent until the DHCS develops a new payment rate methodology that is comparable to the rates received from other payers for these services. This results in approximately \$7.7 million in General Fund savings in 2012-13.

OTHER CHANGE:

- *Implementing Copayments*—A decrease of \$20.2 million General Fund in 2012-13 from the implementation of copayments of \$15 for non-emergency, emergency room visits and \$1 and \$3 copayments for certain pharmacy services.

MANAGED RISK MEDICAL INSURANCE BOARD

The Managed Risk Medical Insurance Board administers five programs that provide health coverage through commercial health plans, local initiatives, and county organized health systems to certain persons who do not have health insurance. The five programs include the Access for Infants and Mothers Program, the Healthy Families Program, the County Health Initiative Matching Fund Program, the Major Risk Medical Insurance Program, and the Pre-Existing Conditions Insurance Plan Program. Only the Healthy Families Program is funded from the General Fund.

ADOPTED SOLUTION:

- *Healthy Families*—The Budget eliminates the Healthy Families Program, transferring beneficiaries to Medi-Cal over a 12-month period beginning in January 2013 for General Fund savings of \$13.1 million in 2012-13, \$58.4 million in 2013-14, and \$72.9 million ongoing. In addition to achieving General Fund savings, this transition benefits children, families, health plans, and providers, by: (1) simplifying eligibility and coverage for children and families; (2) improving coverage through retroactive benefits, increased access to vaccines, and expanded mental health coverage; and (3) eliminating premiums for lower income beneficiaries.

DEPARTMENT OF SOCIAL SERVICES

The Department of Social Services administers programs that provide services and assistance payments to needy and vulnerable children and adults in ways that strengthen and preserve families, encourage personal responsibility, and foster independence.

ADOPTED SOLUTIONS:

- *CalWORKs Refocus*—The Budget restores the program's focus on work. Specifically, it: (1) creates a prospective 24-month time limit on cash assistance and employment services for adults, and provides an additional 24 months to adults who meet federal work requirements; (2) provides counties some flexibility by allowing up to 20 percent of the adults to extend their time beyond 24 months to complete their educational goals or find a job; and (3) provides two years for clients to transition to the new program and be prepared with the skills necessary to find employment as the economy recovers. These changes result in General Fund savings of \$469.1 million in 2012-13.
- *Across the Board Reduction in IHSS Hours*—The Budget includes a decrease of \$52.2 million General Fund in 2012-13 from a 3.6-percent across the board decrease in authorized hours effective August 1, 2012. Similar to the 3.6-percent across the board reduction that sunsets under current law on July 1, 2012, recipients may direct the manner in which the reduction of authorized hours is applied to their previously authorized services.

DEPARTMENT OF CHILD SUPPORT SERVICES

The Department of Child Support Services is designated as the single state agency responsible for administering the statewide child support program.

ADOPTED SOLUTIONS:

- *Reduce Funding for Local Child Support Agencies*—The Budget includes a one-time decrease of \$14.7 million (\$5 million General Fund) in 2012-13 to reflect reduced funding for Local Child Support Agencies.
- *Suspend County Share of Collections*—The Budget suspends the county share of child support collections in 2012-13 for one-time General Fund savings of \$31.9 million.

- *Reduce California Child Support Automation System Funding*—The Budget includes a decrease of \$5.5 million General Fund in 2011-12 and \$1 million General Fund in 2012-13 associated with the California Child Support Automation System (CCSAS). For 2011-12, the savings will result from an early reversion of remaining CCSAS reappropriation dollars. Beginning in 2012-13, the CCSAS project maintenance and operations budget will be reduced by \$2.9 million (\$1 million General Fund).

DEPARTMENT OF PUBLIC HEALTH

The Department of Public Health is charged with protecting and promoting the health status of Californians through programs and policies that use population-wide interventions.

ADOPTED SOLUTION:

- *Public Health Laboratory Training Program*—A decrease of \$2.2 million to eliminate the Public Health Laboratory Training Program. This program provided local assistance grants to subsidize training, support, outreach and education, and provided funding for doctoral candidate stipends and post doctoral fellowships for individuals training for public health laboratory directorships. Fifteen individuals participated in this program.

DEPARTMENT OF DEVELOPMENTAL SERVICES

The Department of Developmental Services (DDS) serves approximately 250,000 individuals with developmental disabilities in the community and 1,760 individuals in state-operated facilities. The Budget includes \$4.7 billion (\$2.7 billion General Fund) for support of the department and community services. Services are provided through the developmental centers and one community facility and the regional center system.

ADOPTED SOLUTION:

- *Proposition 10 Funding*—The Budget assumes that the First 5 California Children and Families Commission will provide \$40 million for programs serving children ages birth through five. This funding will support the DDS Early Start Program and provide services to children from birth up to age three, decreasing General Fund costs by \$40 million.

OTHER CHANGE:

- *Developmental Services Systemwide Reductions*—The Budget reflects \$200 million in 2012-13 savings. Savings will be achieved by increasing eligibility for federal funding, increasing insurance billing for certain autism-related services, redesigning options for consumers who have been hard to serve in the community, and a 1.25-percent provider payment reduction.

CORRECTIONS AND REHABILITATION

The California Department of Corrections and Rehabilitation (CDCR) incarcerates the most serious and violent felons, supervises them when they are released on parole, and provides rehabilitation programs to help them reintegrate into the community.

The Budget includes total funding of \$9 billion (\$8.8 billion General Fund and \$201.6 million other funds) for the CDCR in 2012-13.

STATE PRISONS

The Budget includes approval of the Administration's comprehensive plan to save billions of dollars, end federal court oversight, and improve the prison system. This plan, which was released in April 2012, builds upon the changes brought by public safety realignment and provides a clear path for the Department to save \$1 billion in 2012-13, growing to \$1.5 billion in 2015-16, and satisfy court orders related to reducing overcrowding and providing a constitutionally required level of health care. The primary components of the plan include the following:

- *Updating Inmate Classification Score System*—As a result of research produced by a panel of correctional experts and input from seasoned professionals, the CDCR is modifying its inmate classification score system. The modified system will enable the Department to safely shift approximately 17,000 inmates to less costly housing where they can benefit from access to rehabilitative programs.

- Returning Out-of-State Inmates to California*—Currently, California is paying to incarcerate approximately 10,000 inmates in private, out-of-state prisons. The approved plan enables the CDCR to return these inmates as the in-state prison population continues to drop, classification changes are made, and additional housing units are added at existing prisons. Returning these inmates to California will stop the flow of taxpayer dollars to other states and is expected to save the state \$318 million annually upon full implementation.
- Restructuring Rehabilitation Programs*—The approved plan will help lower the long-term prison population and save the state money by efficiently providing targeted rehabilitation programs. The plan allows at least 70 percent of the Department's target population to participate in academic and rehabilitation programs consistent with their needs. Programming yards will also be established to encourage positive behavior. The CDCR will also establish reentry hubs with concentrated programming resources at existing prisons to better prepare inmates as they near release. Within their first year of release, approximately 70 percent of parolees who need substance abuse treatment, employment services, or education will have access to these programs.
- Standardizing Staffing Levels*—The approved plan establishes new, efficient, and uniform staffing standards for each prison. Correctional experts reviewed the custody and non-custody positions in each prison with the objective of achieving savings by reducing staff to the minimum amount necessary to operate safely, while also facilitating appropriate out-of-cell time and access to programming and health care.
- Reducing the Budget for Adult Parole Operations*—As a result of public safety realignment, the active adult parolee population is projected to decline to approximately 30,000 offenders by 2015-16. The approved plan includes a complete restructuring of the Division of Adult Parole Operations budget to ensure that it downsizes at a rate commensurate with the decline in population.
- Eliminating Unnecessary Lease Revenue Bond Authority*—The approved plan eliminates approximately \$4.1 billion of previously authorized AB 900 lease revenue bond authority. Eliminating this bond authority and no longer needing to build new stand-alone prisons will avoid \$2.2 billion annually in new operating costs and facility debt service costs.
- Closing and Replacing Facilities*—The approved plan closes the California Rehabilitation Center (CRC), repurposes the DeWitt Nelson Youth Correctional

Facility as an annex to the California Health Care Facility, reactivates the Folsom Transitional Treatment Facility for female offenders, and replaces capacity lost by the closure of CRC with three efficient and flexible dorm facilities at existing prisons. The approved plan also includes the renovation of medical care facilities at existing institutions.

- *Returning Control of Health Care to the State*—In recent years, numerous measures have been implemented that significantly improved the quality of the Department's health care system. The Inspector General regularly reviews and scores the Department's medical care system, and these scores have been steadily rising. The approved plan provides for increased health care capacity through the activation of the California Health Care Facility in Stockton, and its annex the DeWitt Nelson Youth Correctional Facility. These projects will create a unified health care complex allowing both facilities to efficiently transition inmate-patients between the two, while avoiding transportation and security costs as well as the need for expensive services in community hospitals and clinics. In addition, existing mental health office and treatment space and dental projects will continue. All of these projects, along with new plans to increase medical clinical capacity at existing prisons, will satisfy court-imposed requirements.
- *Satisfying the Supreme Court's Order to Reduce Prison Crowding*—As outlined in the approved plan, the newly released spring population projections suggest that the Department may fall a few percentage points short of meeting the final court-ordered crowding-reduction benchmark even with realignment. In June 2013, the Department's prison population is projected to be at 141 percent of design capacity rather than the 137.5-percent goal identified by the Supreme Court. The additional measures approved in the Department's plan will allow the state to seek and obtain from the court a modification to raise the final benchmark to 145 percent of design capacity.
- *Increasing Fiscal Oversight and Accountability*—The Department of Finance's Office of State Audits and Evaluations and the Office of the Inspector General will monitor CDCR's implementation of this plan and provide annual reports to the Governor and the Legislature.

OTHER CHANGES:

- *Ending the Receivership*—In 2006, the federal courts in the *Plata v. Brown* case appointed a Receiver with full authority over prison medical care. The Receiver was



empowered to spend whatever he deemed necessary to bring California prison medical care up to a Constitutional level. In May of 2012, the court ordered the Receiver to work with CDCR on transitioning the inmate medical program back to the state. Ending the Receivership will return oversight and accountability of medical care to the state.

- *Funding for the Inmate Medical Services Program*—The Budget includes an increase of \$128.4 million General Fund in 2012-13 to fund court-required inmate medical costs. These augmentations align the medical care budget with the Receiver's projected expenditures and include resources to operate the California Health Care Facility opening in the summer of 2013.

DIVISION OF JUVENILE JUSTICE

The Budget includes efficiencies and other policy changes to reduce the state's costs of housing and supervising wards under the jurisdiction of the Division of Juvenile Justice (DJJ). Net savings to the state of \$24.8 million General Fund in 2012-13 is comprised of the following components:

- Reduce administrative staff within headquarters and DJJ facilities. The *Farrell* court requires specific staffing levels within DJJ. This reduction does not impact any positions tied to the *Farrell* lawsuit. However, the CDCR plans to continue working with the *Farrell* court to achieve further staffing reductions to help decrease the high cost of housing offenders in DJJ.
- End juvenile parole on January 1, 2013 instead of July 1, 2014.
- Reduce DJJ's age of jurisdiction from 25 to 23.
- Implement a new fee structure to charge counties \$24,000 per year for each offender committed by a juvenile court to the DJJ on or after July 1, 2012.

BOARD OF STATE AND COMMUNITY CORRECTIONS

Legislation associated with the 2011 Budget Act abolished the Corrections Standards Authority and established the Board of State and Community Corrections as an independent entity, effective July 1, 2012. The Board will assume the previous functions of the Authority as well as other public safety programs previously administered by the California Emergency Management Agency. The Board will provide statewide leadership,

coordination, and technical assistance to promote effective state and local efforts and partnerships in California's adult and juvenile criminal justice system. The Budget includes total funding of \$129.9 million (\$37.7 million General Fund and \$92.2 million other funds) for the state operations and local assistance programs included under this Board.

OTHER CHANGE:

- *Local Jail Construction Financing Program*—Legislation authorizes \$500 million of additional lease revenue bond financing authority for the acquisition, design, and construction of local facilities to help counties manage their offender population. This authority would be in addition to the \$1.2 billion lease revenue bond financing authority authorized in AB 900 for two phases of the Local Jail Construction Financing Program.

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JUDICIARY

The Budget includes total funding of \$3.9 billion (\$730 million General Fund) for the Judiciary.

The Judicial Branch consists of the Supreme Court, courts of appeal, trial courts, and the Judicial Council. The trial courts are funded with a combination of funding from the General Fund, county maintenance-of-effort requirements, fines, fees, and other charges. The state-level judiciary receives most of its funding from the General Fund.

ADOPTED SOLUTIONS:

The Budget restructures funding for trial courts and makes funding for the Judiciary more transparent. The state assumed funding responsibility for trial courts in 1997. The Budget alters the funding structure for trial courts consistent with the goals of the reform legislation.

- *Trial Court Funding Offsets*—A one-time decrease of \$486 million General Fund, which is offset as follows:
 - The use of \$235 million of trial court reserves based on each court's available reserve.
 - A redirection of \$11 million from the Administrative Office of the Courts.
 - A reduction of \$240 million from court construction funds to support trial court operations. The savings in court construction funds is achieved by pausing

the design activities for approximately 38 court projects for up to one year. The pause will coincide with a full review of the court construction program and court construction standards to ensure operational efficiencies can be reflected in the design of new trial courts. Six court projects that are near design completion will proceed to construction in 2012-13 once the Judicial Council reviews the cost and scope of these projects. The construction phase of these projects will be funded with lease revenue bonds.

- *Trial Court Funding*—A \$50 million reduction to all trial courts on a proportional basis. The ongoing reduction to the trial courts is \$111 million, of which \$50 million will be offset by redirecting funds from court construction to support trial court operations.
- *Judicial Branch State-Level Operations*—A reduction of \$8 million General Fund and a redirection of \$11 million other funds to the trial courts. The Judicial Council will identify reductions and efficiencies implemented to achieve this level of savings.
- *Court Fees*—An increase of \$50 million Trial Court Trust Fund as a result of civil court fee increases to offset ongoing reductions to the trial courts.

OTHER CHANGE:

- *Trial Court Reserves*—A reserve equal to two percent of the statewide allocation to trial courts will be held at the state level, and local reserves will be reduced to one percent of the courts operating budget by June 30, 2014. The Judicial Council will be authorized to allocate funds from the statewide reserve to individual courts as necessary to address emergencies and unavoidable budget shortfalls.

NATURAL RESOURCES

As currently structured, the Natural Resources Agency consists of 27 departments, boards, commissions, and conservancies responsible for administering programs to conserve, protect, restore, and enhance the natural, historical, and cultural resources of California.

The Budget includes total funding of \$8.4 billion (\$1.9 billion General Fund and \$6.5 billion other funds) for all programs included in the Agency.

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

The Energy Resources Conservation and Development Commission (Energy Commission) is responsible for ensuring a reliable supply of energy to meet state needs while protecting public health, safety, and the environment.

OTHER CHANGE:

- *Electricity Program Investment Charge Program*—The Budget includes an increase of \$1.1 million in 2012-13 for the Energy Commission to begin the administration and development of the Electricity Program Investment Charge program that was adopted by the Public Utilities Commission. The Electricity Program Investment Charge is intended to support cost-effective energy efficiency and conservation

activities, renewable energy resources, and public interest research and development within the operating area of the investor-owned utilities.

DEPARTMENT OF WATER RESOURCES

The Department of Water Resources protects, conserves, and manages California's water. The Department evaluates existing water resources, forecasts water needs, and explores potential solutions to meet growing needs. The Department also works to prevent and minimize flood damage, ensure the safety of dams, and educate the public about the importance of water and its efficient use.

OTHER CHANGES:

- *Davis-Dolwig Resolution*—The Budget includes a \$10 million continuous appropriation from the Harbors and Watercraft Revolving Fund to fund the state's obligations under the Davis-Dolwig Act. The Davis-Dolwig Act, passed by the voters in 1961, describes how recreation, fish, and wildlife enhancements are funded in association with the California State Water Project. This proposal will resolve a long-standing problem and provide a reliable source of funding for the Department and state water contractors as they continue to manage and improve the state's water delivery system.
- *Delta Habitat and Conveyance*—The Budget includes 75 new positions to perform preliminary engineering and design work for the Delta Habitat Conservation and Conveyance Program.

ENVIRONMENTAL PROTECTION

The Environmental Protection Agency works to restore, protect and enhance environmental quality. The agency coordinates state environmental regulatory programs and ensures fair and consistent enforcement of environmental law.

The Budget includes total funding of \$1.6 billion (\$42.4 million General Fund and \$1.5 billion other funds) for all programs included in this Agency.

AIR RESOURCES BOARD

The Air Resources Board has primary responsibility for protecting air quality in California as well as implementation of the California Global Warming Solutions Act of 2006 (AB 32).

OTHER CHANGE:

- Investing in Greenhouse Gas Emission Reductions—The Cap and Trade program is a key element in the state climate plan. It sets a statewide limit on the sources of greenhouse gases (GHG) responsible for 85 percent of California GHG emissions. In 2012-13, through the Cap and Trade program, the Air Resources Board will begin auctioning GHG emission allowances as a market-based compliance mechanism authorized by AB 32. The auctions will generate substantial funds to support existing and new efforts to address the causes of GHG emissions. Proceeds from the Cap and Trade auctions are expected to be \$1 billion in the first year of the program.

The Budget includes authority for the state to expend at least \$500 million in Cap and Trade auction proceeds consistent with AB 32.

DEPARTMENT OF TOXICS SUBSTANCES CONTROL

The Department of Toxic Substances Control protects California residents and the environment from the harmful effects of toxic substances through restoring contaminated resources, enforcement, regulation, and pollution prevention.

OTHER CHANGE:

- *Toxic Substances Control Account Reductions*—The Budget includes a decrease of \$9.1 million and 24 positions in 2012-13 and \$12.6 million and 59.8 positions ongoing to align expenditure authority with projected revenues. These actions will bring the account into structural balance while providing resources to implement high-priority activities under the Safer Consumer Products Program.

BUSINESS, TRANSPORTATION, AND HOUSING

The programs within the Business, Transportation, and Housing Agency include transportation, affordable housing, and public safety programs. Funding for all programs is derived largely from special fund revenues, federal funds, and bond proceeds.

DEPARTMENT OF TRANSPORTATION

The Department of Transportation (Caltrans) has almost 20,000 employees and a budget of \$13.2 billion. Caltrans designs and oversees the construction of state highways, operates and maintains the highway system, funds three intercity passenger rail routes, and oversees funding for local mass transit projects. Approximately 50,000 road and highway lane miles and 12,910 state bridges are maintained. The largest sources of funding for transportation projects are excise taxes paid on fuel consumption, federal funds also derived from fuel taxes, and weight fees on trucks. Bond funds currently provide approximately 30 percent of the total funding available.

ADOPTED SOLUTIONS:

- *Weight Fee Revenue Transfer*—A transfer of \$374.4 million in weight fee revenues to the General Fund in 2012-13. The state collects a fee on commercial trucks based on the weight of the vehicle, which represents compensation for wear and tear on the State's roads and highways. The Budget will transfer existing weight fee revenue above the level needed to offset current debt service on specified general obligation

transportation bonds to the General Fund. These funds will be used to offset debt service costs in the future.

- *Special Fund Transfers to the General Fund*—A transfer of \$184 million in 2011-12 and \$128.2 million annually starting in 2012-13 from several special funds to the General Fund. The fuel tax swap enacted in the 2010 Budget Act eliminated the state sales tax on gasoline and increased the gasoline excise tax by a like amount. The Budget continues the structural components of the fuel tax swap, including funding related to the backfill of Proposition 42 sales tax dollars. Specifically, the Budget includes \$708.5 million for local roads and \$901.7 million for Caltrans highway projects associated with former Proposition 42 funding.

VARIOUS DEPARTMENTS AND ISSUES

This section provides budget information for various departments, statewide expenditures, and regarding local governments.

REDEVELOPMENT AGENCIES

Chapter 5, Statutes of 2011 (ABx1 26), eliminated redevelopment agencies (RDAs) and replaced them with locally organized successor agencies tasked with retiring the former RDAs' outstanding debts and other legal obligations.

The California Redevelopment Association, cities, and other entities challenged ABx1 26 and ABx1 27 before the California Supreme Court in the case *California Redevelopment Association et al. v. Matosantos et al.* In a ruling released on December 29, 2011, the Court overturned ABx1 27 and upheld ABx1 26. In accordance with the Court's order, RDAs were dissolved on February 1, 2012. Revenues that would have been directed to the former RDAs are now provided to the successor agencies to retire obligations, including "pass through" payments to taxing entities (i.e. the cities, counties, special districts, and K-14 schools in which the project areas of the RDAs were located). The remaining revenues are distributed as property taxes.

Elimination of RDAs will provide additional property tax funding for education, yielding a General Fund savings by reducing the state's General Fund contribution to Proposition 98.

ABx1 26 requires that former RDA cash and real property assets that are not otherwise encumbered or reserved for legally authorized purposes must be liquidated, and the resultant funds are distributed to the affected taxing entities in the same manner as property tax revenues. ABx1 26 does not, however, provide deadlines for liquidation and distribution.

The Budget creates a process for determining the liquid assets that RDAs should have shifted to their successor agencies when they were dissolved, and the amount that should be available for distribution to the affected taxing entities as of July 1, 2012.

For successor agencies that promptly pay the determined amount, the following benefits are provided:

- Loans from cities and counties to their RDAs currently ineligible for repayment would be deemed eligible for repayment beginning in 2013-14. Over time, the repayment mechanism established in legislation could provide as much as \$4 billion in principal repayments to cities and counties.
- Bond proceeds that were not contractually encumbered prior to June 28, 2011 can only be used to defease the bonds. The Budget would allow successor agencies to use these proceeds from bonds sold before January 1, 2011 to execute new contracts consistent with the requirements of the bond covenants.
- Land and other physical assets not needed for enforceable obligations of the former RDAs may be transferred by the successor agency to the city or county that created the RDA and used for economic development, without compensation to the affected taxing entities. Before effectuating transfers, successor agencies must submit an asset management plan to Finance that identifies the properties chosen for transfer.

The Budget provides a variety of possible collection tools if successor agencies fail to provide the assets identified for distribution to the affected taxing entities, or if cities or counties that improperly received assets from their former RDAs fail to return those assets.

STRENGTHENING THE MECHANISMS FOR ONGOING REVENUE DISTRIBUTION TO TAXING AGENCIES:

The Budget creates a longer and more comprehensive review process for Recognized Obligation Payment Schedules (ROPS). The revised timeline provides Finance 45 days to review the ROPS and ensures county auditor-controllors will be notified of the

amount payable to each successor agency 15 days before the associated property tax distributions must be made. The updated review process also creates a mechanism for successor agencies to meet and confer with Finance to discuss concerns. To discourage late ROPS submissions, the Budget also provides financial penalties and a reduced meet-and-confer timeline for late submissions, and provides affected taxing entities and Finance with the right to request a writ of mandate to require the ROPS be submitted.

RECAPTURING THE 2011-12 REVENUE BENEFITS NOT ACHIEVED:

Finance estimated in the May Revision that K-14 schools would receive \$818 million of Proposition 98 General Fund-offsetting property tax revenues in June of the 2011-12 fiscal year, and another \$991 million of such revenues in 2012-13. The 2011-12 estimate was based on very early estimates of 2011-12 enforceable obligations, together with estimates from county auditor-controllers on the property tax available to the successor agencies.

The full amounts of 2011-12 payments were not made, however, due to the timing of the Supreme Court ruling and inconsistent interpretations of the law at the local level.

The Budget creates a one-time process to recapture the property tax revenue that taxing entities should have received in 2011-12. By July 9, 2012, the legislation requires county auditor-controllers to bill successor agencies for the amounts that should have been distributed to the affected taxing entities. The successor agencies must remit these amounts to the county auditor-controller by July 12, 2012. The county auditor-controller has until July 16, 2012 to distribute the remitted amounts to the affected taxing entities. The Budget reflects revised assumptions regarding the General Fund benefit of the elimination of redevelopment agencies. Specifically, it reflects a shift of \$685 million in General Fund benefit from 2011-12 to 2012-13.

STATE WORKFORCE

A reduction of \$839.1 million (\$401.7 million General Fund) in employee compensation, equivalent to a 5-percent reduction in pay. To achieve these reductions, the Administration negotiated agreements with most of the state's 21 bargaining units for a one day per month, unpaid Personal Leave Program (PLP). Bargaining units without negotiated agreements will be subject to a corresponding level of savings through either a negotiated agreement including PLP provisions or furlough.

GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT

The Governor's Office of Business and Economic Development (GO-Biz) serves as the lead state entity for economic strategy and marketing of California on issues relating to business development, private sector investment, and economic growth.

OTHER CHANGE:

- The Budget expands the authority of local governments to attract businesses by targeted property tax rebates. Previously, state law allowed local governments to provide property tax rebates for large manufacturing facilities, those with capital investments greater than \$150 million. This change in law will allow local governments to provide those rebates for research and development facilities with capital investments greater than \$250 million. This expansion does not impact school district taxes and is at the discretion of local officials who can best gauge the community economic impact.

EMPLOYMENT DEVELOPMENT DEPARTMENT

The Employment Development Department administers the Unemployment Insurance (UI), Disability Insurance, and Paid Family Leave programs and collects payroll taxes from employers, including the Personal Income Tax.

ADOPTED SOLUTION:

- *Unemployment Interest Payment*—The Budget includes a loan of \$312.6 million from the Unemployment Compensation Disability Fund to pay for the UI interest to the federal government.

DEPARTMENT OF JUSTICE

The Attorney General has the responsibility to see that the laws of California are uniformly and adequately enforced. This responsibility is fulfilled through the diverse programs of the Department of Justice (DOJ).

ADOPTED SOLUTIONS:

- *National Mortgage Settlement Proceeds*—The National Mortgage Settlement stipulates that California will receive \$410.6 million in discretionary funds for administrative costs and to support programs that benefit California homeowners affected by the mortgage and foreclosure crisis and other consumers. The Budget includes legislation to support the following programs funded by these proceeds:
 - \$41.1 million paid as a civil penalty into the Unfair Competition Law Fund to offset the costs of various DOJ programs.
 - \$44.9 million for the DOJ's Public Rights and Law Enforcement programs relating to public protection and consumer fraud enforcement and litigation.
 - \$8.2 million for the Department of Fair Employment and Housing's ongoing efforts to prevent and eliminate unlawful discrimination in housing and the prosecution of violations under the Fair Employment and Housing Act.
 - \$298 million to offset General Fund costs for housing bond debt service for those programs funded with Proposition 46 and Proposition 1C housing bonds that provide homeowners' assistance.
 - An increase of \$18.4 million for the DOJ to support homeowner counseling services and the Office of the California Monitor for enforcement activities to oversee compliance with the settlement.
- *DNA Identification Fund*—A decrease of \$10 million General Fund through the elimination of the General Fund transfer to the DNA Identification Fund. The Budget replaces this funding by increasing the penalty assessment by \$1 for every \$10 of base fine to ensure the DNA and regional forensic laboratories are able to continue performing critical public safety work.

COMMISSION ON STATE MANDATES

The Commission on State Mandates is a quasi-judicial agency that hears test claims to determine whether local agencies and school districts are entitled to reimbursement for increased costs mandated by the state. The Constitution requires the Legislature to either fund or suspend specified mandates in the annual Budget Act.

ADOPTED SOLUTIONS:

- *Suspension of Mandates*—The Budget suspends various mandates, except for most mandates related to law enforcement or property taxes, resulting in General Fund savings of \$728.8 million. These mandates will also be suspended in 2013-14 and 2014-15.
- *Deferral of Pre-2004 Mandate Obligations*—A decrease of \$99.5 million in 2012-13 as a result of deferring the 2012-13 payment for mandate costs incurred prior to 2004-05. These payments will also be deferred in 2013-14 and 2014-15.

EXECUTIVE OFFICE

Ana J. Matosantos

Director of Finance
(916) 445-4141

Michael Cohen

Chief Deputy Director, Budget
(916) 445-9862

Pedro R. Reyes

Chief Deputy Director, Policy
(916) 445-8582

Todd Jerue

Chief Operating Officer
(916) 445-4923

Jennifer K. Rockwell

Chief Counsel
(916) 324-4856

H.D. Palmer

Deputy Director, External Affairs
(916) 323-0648

Tom Dyer

Legislative Director
(916) 445-8610

BUDGET PROGRAM AREAS

Revenue Forecasting; Economic Projections;
Demographic Data; Business, Transportation,
and Housing; Local Government

Mark Hill, PBM* (916) 322-2263

Education

Nick Schweizer, PBM (916) 445-0328

Health and Human Services

Ken DaRosa, PBM (916) 445-6423

Corrections and Rehabilitation, Judicial, Justice,
General Government, State and Consumer
Services, Labor and Workforce Development,
Local Mandates

Lisa Mangat, PBM (916) 445-8913

Natural Resources, Energy, Environment,
Capital Outlay

Karen Finn, PBM (916) 324-0043

Employee Relations, State Pension Systems,
Departmental Administration, Audits and Evaluations,
Information Technology Fiscal Oversight

Diana L. Ducay, PBM (916) 445-3274

Budget Planning and Preparation,
Cash Management, Statewide Issues,
CALSTARS, FSCU

Veronica Chung-Ng, PBM . . . (916) 445-5332

*Program Budget Manager

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EDMUND G. BROWN JR.
Governor

June 27, 2012

State of California
Governor's Office

I object to the following appropriations contained in Assembly Bill 1464.

Item 0510-001-0001—For support of Secretary of State and Consumer Services. I reduce this item from \$246,000 to \$0 by reducing:

- (1) Support from \$1,530,000 to \$1,094,000,

and by deleting:

- (3) Amount payable from the Central Service Cost Recovery Fund (Item 0510-001-9740) of (–\$190,000).

I am reducing this item by \$246,000 and 3.5 positions for the Office of Privacy Protection. While I am supportive of efforts in this area, I do not believe this program is of sufficient priority to justify the use of limited state resources.

I am revising this item to conform to the action taken in Item 0510-001-9740.

Item 0510-001-9740—For support of Secretary of State and Consumer Services. I delete this item.

I am deleting this item to conform to the action taken in Item 0510-001-0001.

Item 2660-001-0042—For support of Department of Transportation. I reduce this item from \$2,387,730,000 to \$2,383,185,000 by reducing:

- (9) 40-Transportation Planning from \$118,242,000 to \$113,697,000,

and delete Provision 3.

I am reducing this item by \$4,545,000 and 23.0 positions to reserve state funds to fund state projects and not to subsidize the development and review of project initiation documents for locally funded projects on the state highway system. I am sustaining \$3,890,000 and 28.0 positions to complete work on projects where local agencies executed cooperative agreements with Caltrans to provide reimbursements.

I am also vetoing Provision 3 because the requirements contained in this provision to expend Capital Outlay Support funds on state staff, external contracts, and operating expenses and equipment create unnecessary cost pressures and limit Caltrans' flexibility to utilize the most cost-effective portfolio of resources to meet its workload needs. Caltrans needs the flexibility to choose a staffing mix that allows it to complete the workload without resulting in unnecessary costs associated with hiring additional state staff and incur training expenses for short-term workload.

Item 3360-011-3117—For transfer by the Controller, upon order of the Director of Finance, from the Alternative and Renewable Fuel and Vehicle Technology Fund to the State Parks and Recreation Fund. I reduce this item from (\$10,000,000) to (\$3,000,000).

I am reducing this item by \$7,000,000 to conform to the action I have taken in Item 3790-001-0392.

Item 3600-001-0200—For Support, the Department of Fish and Game. I revise this item by deleting Provisions 3 and 4.

I am deleting Provision 3 because the requirement contained in this provision to expend funds on a plan to redirect Fish and Game Preservation Fund to other priorities increases overall cost pressures within this item. The Fish and Game Preservation Fund is structurally imbalanced with expenditures exceeding revenues by approximately \$17 million. While the intent of this provision is to identify a plan that could reduce the imbalance, any activities that would be redirected to the Greenhouse Gas Reduction Fund would not result in Fish and Game Preservation Fund savings as permit fees currently cover the Department's renewable energy activities.

I am also deleting Provision 4 because it would require up to \$2 million to be appropriated from the Salton Sea Restoration Fund to the Salton Sea Authority to update previous analyses of restoration planning efforts for the Salton Sea. I am vetoing the provision because the Salton Sea Restoration Fund has a reserve of \$675,000 for the 2012-13 fiscal year, and using other departmental funds would result in an unallocated reduction to other Fish and Game programs. I will be directing the Department of Fish and Game to continue conversations with the Salton Sea Authority and environmental stakeholders in an effort to identify other options for conducting the proposed feasibility study and enhancing restoration efforts.

Item 3790-001-0392—For support of Department of Parks and Recreation. I reduce this item from \$147,946,000 to \$126,946,000 by reducing:

(1) Support of Department of Parks and Recreation from \$430,099,000 to \$399,099,000,

and by deleting:

(9.5) Amount payable from State Water Pollution Control Revolving Fund
(Item 3790-001-0617) (-\$10,000,000).

The Department has readied the closure of 70 state parks based on criteria included in the 2011 Budget Act. As of today, the state has signed its 32nd agreement with a local partner to continue to operate a park slated for closure. This achievement is a testament to the work and dedication of the Department, nonprofit organizations, local governments, and others—along with the state Legislature—to keep state parks available to the public.

The Budget includes one-time funding to attempt to resolve an ongoing structural imbalance by using funds that were intended for other important uses to support state parks. While a portion of these funds will help ensure a successful transition as the state develops a long-range vision for state parks, I cannot fully support this action because proposed funding either takes from other important purposes or may violate the state's agreement with the federal government regarding the State Water Pollution Control Revolving Fund.

Therefore, I am reducing this item by \$31 million and sustaining \$10 million in new funding to support the needs of the state's parks system. These funds will allow, among other purposes a transition window for park operating agreements that are currently being negotiated, but are not yet final. I am also sustaining \$13 million in redirected bond expenditures, which will now be used for projects that can aid the Department to increase park revenues.

Item 3790-001-0617—For support of Department of Parks and Recreation. I delete this item and Provision 1.

I am deleting this item to conform to the action I have taken in Item 3790-001-0392.

Item 3940-001-0439—For support of State Water Resources Control Board. I revise this item by deleting Provision 3.

I am deleting Provision 3 because the requirement contained in this provision to expend funds on a proposal increases overall cost pressure with this item. This provision requires the State Water Resources Control Board to submit a proposal to increase program efficiencies through reduction of the number of regional water quality control boards by January of 2013. This provision is unnecessary.

Item 4265-001-0001—For support of Department of Public Health. I revise this item by deleting Provision 4.

I am deleting Provision 4 because the requirement contained in this provision to expend funds on an annual work plan for the Nursing Home Administrator's Program creates unnecessary cost pressures. Elimination of this report is consistent with my plan to eliminate unnecessary reports and reporting requirements.

Item 4265-111-0001—For local assistance, Department of Public Health. I reduce this item from \$49,332,000 to \$48,832,000 by reducing:

(3) 20.20—Infectious Diseases from \$258,897,000 to \$258,397,000.

I am reducing this item by \$500,000, which eliminates funding for the Public Health Laboratory Director Training Program. This reduction is necessary to help bring ongoing expenditures in line with existing resources and to build a prudent reserve.

Item 4440-011-0001—For support of Department of State Hospitals. I revise this item by deleting Provisions 5 and 13.

I am deleting Provision 5 because the requirement contained in this provision to expend funds by providing quarterly progress reports on the hiring plan related to federal court monitoring of compliance with the Civil Rights of Institutionalized Persons Act (CRIPA) creates unnecessary cost pressures. This provision would require the Department to continue reporting on a hiring plan when facilities have achieved substantial compliance with CRIPA and are in the process of being released from further court monitoring. Elimination of these reports is consistent with my plan to eliminate unnecessary reports and reporting requirements.

I am also deleting Provision 13, which permits up to \$3,600,000 to be used for the Adult Education program, and eliminating 37.6 unfunded positions added separately by the Legislature for this program, because the requirement creates unnecessary cost pressures and

restricts the Department's efforts to achieve planned General Fund cost savings. The Budget reflects my Administration's efforts to close a structural gap in the Department's budget. Authorizing this program without providing the necessary resources would undermine these efforts.

Item 6110-001-0001—For support of Department of Education. I reduce this item from \$34,505,000 to \$34,420,000 by reducing:

- (2) 20-Instructional Support from \$140,134,000 to \$139,944,000,
- (9) Amount payable from the Federal Trust Fund (Item 6110-001-0890) from -\$162,299,000 to -\$162,194,000,

and by deleting Provision 19.

I am reducing this item by \$85,000 and 1.0 position at the State Department of Education to conform to my veto of local assistance funding for the Early Mental Health Initiative in Item 6110-162-0001.

I am deleting Provision 19 to conform to this action.

I am also revising these schedules to conform to the actions I have taken in Item 6110-001-0890.

Item 6110-162-0001—For support of Department of Education (Proposition 98), Early Mental Health Services. I delete this item.

I am eliminating the \$15,000,000 appropriation for the Early Mental Health Initiative. While I appreciate the importance of prevention and early intervention services, I believe that school districts are in the best position to determine whether these services should be funded at the local level.

Item 6110-196-0001—For local assistance, Department of Education (Proposition 98). I reduce this item from \$510,975,000 to \$481,003,000 by reducing:

- (1) 30.10.010-Special Program, Child Development, Preschool Education from \$510,975,000 to \$481,003,000.

I am reducing \$29,972,000 from preschool programs, which are administered by Title 5 centers that contract directly with the Department of Education. While I would have preferred to restructure rates and reform the program to achieve savings, this across the board reduction in slots is necessary to help bring ongoing expenditures in line with existing resources.

Item 6110-202-0001—For local assistance, Department of Education. I delete this item and Provisions 1, 2, and 3.

I am eliminating the \$10,100,000 legislative augmentation which would provide a supplemental child nutrition reimbursement to private schools, private child care centers, and other meal sponsors that are not eligible for Proposition 98 funding. This reduction is necessary to bring ongoing expenditures in line with available General Fund resources.

I am also deleting Provisions 1, 2, and 3 to conform to this action.

Item 6440-004-0001—For support of University of California. I delete Provisions 1, 2, and 3.

I am deleting Provisions 1, 2, and 3 because the requirements contained in these provisions to expend funds on the University of California, Merced campus create unnecessary cost pressures and are unnecessarily restrictive. Eliminating these provisions will give the University greater flexibility to manage the \$750 million permanent reduction in state funding enacted in 2011-12.

Item 6440-005-0001—For support of University of California. I delete Provision 1.

I am deleting Provision 1 because the requirement contained in this provision to expend funds on the California Institutes for Science and Innovation creates unnecessary cost pressures and is unnecessarily restrictive. Eliminating this provision will give the University greater flexibility to manage the \$750 million permanent reduction in state funding enacted in fiscal year 2011-12.

Item 6600-001-0001—For support of Hastings College of the Law. I delete Provision 3.

I am deleting Provision 3 because the requirement contained in this provision to expend funds on retired annuitant health and dental benefits creates unnecessary cost pressures and is unnecessarily restrictive.

Item 8885-295-0001—For local assistance, Commission on State Mandates. I reduce this item from \$50,586,000 to \$48,786,000 by reducing:

- (1) For payment of the following mandate claims for costs incurred in the 2004–05 through 2010–11 fiscal years from \$50,586,000 to \$48,786,000,

and by deleting:

(1)(n) Crime Statistics Reports for the Department of Justice, Homicide Reports: Ch. 1338, Stats. 1992 Hate Crime Reports: Ch. 1172, Stats. 1989; Ch. 933, Stats. 1998; Ch. 626, Stats. 2000; Ch. 700, Stats. 2004) (02- TC-04, 02-TC-11, and 07-TC-10). (1,800,000)

and by deleting Provision 4.

The activities related to this mandate should already be standard procedure as they provide information to the federal government that ultimately enables local agency receipt of federal grant funds. Therefore, the existence of the mandate is unnecessary as an incentive to collect and report this information.

With the above deletions, revisions, and reductions, I hereby approve Assembly Bill 1464.

/s/ Edmund G. Brown Jr.

EDMUND G. BROWN JR.

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State of California
Governor's Office

I object to the following appropriations contained in Assembly Bill 1497.

Item 0250-101-0932—For local assistance, Judicial Branch. I revise this item by deleting a portion of Provision 15.

I am revising this item by deleting the last sentence of Provision 15, which would permit the Judicial Council to offset General Fund reductions to the trial courts by redirecting additional funds from within the Judicial Branch's budget. I believe this language is unnecessary as the Budget already provides the appropriate level of funding, given available resources, for each segment of the Judiciary.

~~"15. Notwithstanding any other provision of law, during the 2012-13 fiscal year, the Judicial Council shall allocate \$385,000,000 of reductions in funding contained in Schedule (1) as follows: (a) no more than \$235,000,000 shall be allocated to each trial court based on each court's proportionate share of total statewide trial court reserves, and (b) no more than \$150,000,000 shall be allocated based on each trial court's proportionate share of the 2011-12 fiscal year Trial Court Trust Fund allocation. Upon approval of the Director of Finance and no sooner than 30 days after notification in writing to the committees of each house of the Legislature that consider the State Budget, the Judicial Council may offset either of these reductions through transfers from any other item within the Judicial Branch's budget, with the exception of funding scheduled for the Supreme Court, Courts of Appeal, and Habeas Corpus Resource Center."~~

Item 5180-111-0001—For local assistance, Department of Social Services. I reduce this item from \$4,443,230,000 to \$4,438,530,000 by reducing:

(2) 25.15-IHSS from \$6,239,606,000 to \$6,234,906,000.

I am reducing this item by \$4,700,000 to eliminate an augmentation to support administration of the In-Home Supportive Services (IHSS) program. This would align funding with the level I included in the May Revision. This reduction is necessary to provide for a prudent General Fund reserve. With this reduction, \$134,223,000 General Fund still remains for IHSS administration.

Item 5180-141-0001—For local assistance, Department of Social Services. I reduce this item from \$717,265,000 to \$694,265,000 by reducing:

- (1) 16.75-County Administration and Automation Projects from \$1,833,498,000 to \$1,779,498,000.
- (3) Amount payable from the Federal Trust Fund (Item 5180-141-0890) from -\$1,068,900,000 to -\$1,037,900,000.

I am reducing this item by \$54,000,000 (\$23,000,000 General Fund) on a one-time basis in the County Administration and Automation Projects program for administration of the CalFresh

program. This reduction is necessary to provide for a prudent General Fund reserve. With this reduction, total funding of \$1,464,752,000 still remains budgeted to support CalFresh administrative costs. This level of funding for county administration is greater than what I proposed in the May Revision.

Item 5180-141-0890—For local assistance, Department of Social Services. I reduce this item from \$1,068,900,000 to \$1,037,900,000.

I am reducing this item by \$31,000,000 to conform to the action I have taken in Item 5180-141-0001.

Item 6110-001-0890—For support of Department of Education. I reduce this item from \$162,299,000 to \$162,194,000 and by revising Provision 35.

I am reducing this item by \$105,000 federal Migrant Education Funds to eliminate indirect cost funding associated with the Bureau of State Audits audit of the Migrant Education Program. This amount duplicates state operations funding already included in the Department of Education's budget and is unnecessary. With this reduction, \$600,000 remains to fund the audit.

I am revising Provision 35 to conform to this action as follows:

"35. Of the funds appropriated in this item, up to ~~\$705,000~~ \$600,000 is provided in one-time federal Title I, Part C, carryover funds for transfer to the State Audit Fund for the purpose of the Bureau of State Audits to conduct an independent audit of state and local implementation of the federally funded Migrant Education Program. The audit report shall be submitted to the appropriate fiscal and policy committees of each house of the Legislature and to the State Department of Education (SDE) no later than March 1, 2013.

(a) The audit report shall include all of the following:

- (1) A detailed audit of expenditures, fiscal practices, and fiscal oversight at the SDE and in a sample of local Migrant Education Program regions to determine whether there is compliance with applicable state and federal laws, regulations, and administrative policies.
- (2) A detailed audit of the State Parent Advisory Council (SPAC) makeup and activities at the state level and in a sample of local Migrant Education Program regions to determine whether there is compliance with applicable state and federal laws, regulations, and administrative policies, and to assess whether the state appropriately supports and engages migrant parents.
- (3) A detailed review of how effectively the state organizes and implements migrant education services at both the state and local levels, which includes alignment between program goals and program activities, outcomes from state-level contracts, effectiveness of data collection structures and internal operations, and the efficacy of the existing regional service delivery structure.
- (4) Recommendations for how the state may address audit findings related to the topics described in paragraphs (1), (2), and (3).
- (5) A review of the extent to which any relevant findings raised in recent federal reviews (since 2006) of the state's Migrant Education Program pertaining to these and other topics have been addressed. If these findings have not been adequately addressed, provide recommendations on how the state should address them to ensure the delivery of services in the Migrant Education Program are efficient and effective.

- (b) The regions selected for the sample shall be sufficient in number to reflect the diversity of local regions and program structures.”

Item 6110-140-0001—For local assistance, Department of Education (Proposition 98). I reduce this item from \$886,000 to \$0 by reducing:

- (2) 20.90.001.020-California School Information Services Administration from \$2,184,000 to \$1,298,000.

I am reducing this item by \$886,000 to reflect the decrease in workload at the California School Information System (CSIS) associated with the completion of the California Longitudinal Pupil Achievement Data System (CALPADS) project. The Budget acknowledges the continued workload associated with CSIS’s support of the CALPADS maintenance phase, and therefore, continues to provide \$7,136,000 to ensure that CSIS is successful in meeting this objective.

Item 6110-194-0001—For local assistance, Department of Education. I reduce this item from \$770,603,000 to \$750,603,000 by reducing:

- (1.5) 30.10.020-Child Care Services from \$1,329,885,000 to \$1,309,885,000, and
(d) 30.10.020.007-Special Program, Child Development, Alternative Payment Program from \$194,031,000 to \$174,031,000.

I am reducing \$20,000,000 from voucher-based child care programs, except for those serving current and former CalWORKs families. While I would have preferred to restructure rates and reform the program to achieve savings, this across the board reduction in child care slots is necessary to help bring ongoing expenditures in line with existing resources. With this reduction, a total of \$1.3 billion in non-Proposition 98 General Fund and federal funds remain to support child care programs administered by the Department of Education.

Item 6110-488—Reappropriation, Department of Education. I revise this item by deleting Provision 8.

I am deleting Provision 8 which contains an augmentation of \$8,100,000 for the Advancement Via Individualized Determination program because it creates additional cost pressures within Proposition 98 and school districts are in the best position to determine whether this program should be funded at the local level.

Item 6440-001-0001—For support of University of California. I reduce this item from \$2,053,750,000 to \$2,053,749,000 by reducing:

- (1) Support from \$2,053,750,000 to \$2,053,749,000,

and by deleting Provisions 5, 7, 8, 9, 10, 11, 12, 14, 15, and 17.

I am deleting Provisions 5, 7, 8, 9, 10, 11, and 12, because the requirements contained in these provisions to expend funds on various programs create unnecessary cost pressures within this item and are unnecessarily restrictive. Specifically, these provisions earmark funding levels for the following programs administered by the University of California (University): the Charles R. Drew Medical Program, the California State Summer School for Mathematics and Science, the Science and Math Teacher Initiative, the Program in Medical Education, nursing programs,

Acquired Immune Deficiency Syndrome research, and the California Subject Matter Projects. Eliminating these earmarks will give the University greater flexibility to manage the \$750 million permanent reduction in state funding enacted in fiscal year 2011-12.

I am deleting Provision 14 because the requirement contained in this provision to expend funds on retired annuitant health and dental benefits creates unnecessary cost pressures and is unnecessarily restrictive.

I am deleting Provision 15 because the requirement contained in this provision that the University achieve an enrollment target of 209,977 resident full-time equivalent students creates unnecessary cost pressures on this item and is unnecessarily restrictive.

Finally, I am reducing this item by \$1,000 and deleting Provision 17 which would restrict the University's ability to contract out for services rather than using in-house personnel, under specified terms. While I encourage the University to review the overall cost effectiveness of its contracting out, this provision would unnecessarily limit the University's ability to effectively manage its operations.

Item 6610-001-0001—For support of California State University. I delete Provisions 5, 6, 9, and 10.

I am deleting Provisions 5 and 6 because the requirements contained in these provisions to expend funds on various programs creates unnecessary cost pressures and are unnecessarily restrictive. Specifically, these provisions earmark funding levels for the Science and Math Teacher Initiative and nursing programs administered by the California State University (CSU). Eliminating these earmarks will give CSU greater flexibility to manage the \$750 million permanent reduction in state funding enacted in 2011-12.

I am deleting Provision 9 because the requirement contained in this provision to expend funds on retired annuitant dental benefits creates unnecessary cost pressures and is unnecessarily restrictive.

Finally, I am deleting Provision 10 because the requirement contained in this provision that the CSU achieve an enrollment target of 331,716 resident full-time equivalent students creates unnecessary cost pressures and is unnecessarily restrictive.

Item 7980-101-0001—For local assistance, Student Aid Commission. I reduce this item from \$721,452,000 to \$698,852,000 by reducing:

(1) 15-Financial Aid Grants Program from \$1,638,628,000 to \$1,616,028,000,

and by revising Provisions 1 and 3.

I am reducing this item by \$22,600,000 and amending subsections which establish the maximum Cal Grant awards. The amounts of these awards are statutorily required to be in the Budget. Specifically, I am reducing the private institution award from \$9,708 to \$9,223, the independent institution award from \$9,708 to \$9,223, the Cal Grant B access award from \$1,551 to \$1,473, the Cal Grant C tuition and fee award from \$2,592 to \$2,462, and the Cal Grant C book and supply award from \$576 to \$547. Each of these represent a 5-percent reduction. This action is necessary to align ongoing program expenditures with existing resources. This action will not eliminate eligibility for any Cal Grant student.

I am revising subsections (a), (b), (c), (d), and (e) of Provision 3 to conform to this action as follows:

- "(a) New and renewal recipients attending private institutions shall be ~~\$9,708~~\$9,223.
- (b) New and renewal recipients attending independent institutions shall be ~~\$9,708~~\$9,223.
- (c) All recipients receiving Cal Grant B access awards shall be ~~\$1,551~~\$1,473.
- (d) All recipients receiving Cal Grant C tuition and fee awards shall be ~~\$2,592~~\$2,462.
- (e) All recipients receiving Cal Grant C book and supply awards shall be ~~\$576~~\$547."

I am further revising subsections to eliminate costs resulting from the Student Aid Commission's authority to issue new warrants for the Assumption Program of Loans for Education and the State Nursing Assumption Program of Loans for Education. The number of awards are statutorily required to be in the Budget. The General Fund savings that will begin in 2013-14 will help align ongoing program expenditures with available resources into the future.

I am revising subsection (c) of Provision 1 to conform to this action as follows:

- "(c) The purchase of loan assumptions under Article 5 (commencing with Section 69612) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. ~~The Student Aid Commission shall issue 7,200 new warrants.~~"

I am revising subsection (f) of Provision 1 to conform to this action as follows:

- "(f) The purchase of loan assumptions under the State Nursing Assumption Program of Loans for Education (SNAPLE) pursuant to Article 1 (commencing with Section 70100) of Chapter 3 of Part 42 of Division 5 of Title 3 of the Education Code. ~~The Student Aid Commission shall issue 400 new warrants.~~"

With the above deletions, revisions, and reductions, I hereby approve Assembly Bill 1497.

/s/ Edmund G. Brown Jr.

EDMUND G. BROWN JR.

From: Alexis Podesta [Alexis.Podesta@GOV.CA.GOV]
Sent: Thursday, June 28, 2012 1:05 PM
To: Risley, Carol@SCDD
Subject: Governor Brown Signs Legislation

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Office of Governor
Edmund G. Brown Jr.



FOR IMMEDIATE RELEASE:
Thursday, June 28, 2012

Contact: Governor's Press Office
(916) 445-4571

Governor Brown Signs Legislation

SACRAMENTO – Governor Edmund G. Brown Jr. signed the following bills yesterday:

- AB 1464 by Assemblymember Bob Blumenfield (D-Van Nuys) – 2012-13 Budget. Line item vetoes can be found [here](#).
- AB 1465 by Committee on Budget – Transportation.
- AB 1467 by Committee on Budget – Health.
- AB 1470 by Committee on Budget – Mental health: State Department of State Hospitals.
- AB 1472 by Committee on Budget – Developmental services.
- AB 1484 by Committee on Budget – Community redevelopment.
- AB 1485 by Committee on Budget – Budget Act of 2011: augmentation.
- AB 1494 by Committee on Budget – Healthy Families Program: Medi-Cal: program transition: expansion.
- AB 1497 by Committee on Budget – Budget Act of 2012. Line item vetoes can be found [here](#).
- AB 1499 by Committee on Budget – Elections: ballot order for statewide measures.
- AB 1502 by Committee on Budget – Budget Act of 2012: augmentation.
- SB 1006 by Committee on Budget and Fiscal Review – State government.
- SB 1008 by Committee on Budget and Fiscal Review – Public social services: Medi-Cal.
- SB 1009 by Committee on Budget and Fiscal Review – Health and human services.
- SB 1013 by Committee on Budget and Fiscal Review – Child welfare services: realignment.
- SB 1014 by Committee on Budget and Fiscal Review – Public social services: alcohol and drug programs.
- SB 1015 by Committee on Budget and Fiscal Review – Taxation: administration.
- SB 1016 by Committee on Budget and Fiscal Review – Education finance.
- SB 1018 by Committee on Budget and Fiscal Review – Public resources. A signing message can be found [here](#).
- SB 1020 by Committee on Budget and Fiscal Review – Public Safety Realignment.
- SB 1021 by Committee on Budget and Fiscal Review – Public safety.
- SB 1022 by Committee on Budget and Fiscal Review – Correctional facilities.
- SB 1023 by Committee on Budget and Fiscal Review – Public safety: realignment.
- SB 1033 by Committee on Budget and Fiscal Review – State and local government.
- SB 1036 by Committee on Budget and Fiscal Review – Public social services: in-home supportive services.
- SB 1038 by Committee on Budget and Fiscal Review – State government.

- SB 1041 by Committee on Budget and Fiscal Review – Human services.

For full text of the bills, visit: <http://leginfo.ca.gov/bilinfo.html>. A full summary of the 2012-13 Budget can be found [here](#).

###

Governor Jerry Brown
State Capitol Building
Sacramento, CA 95814

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PERSONS WITH DISABILITIES

Providing critical safety, prevention and preparedness training...

Under the guidance of our Executive Director and in conjunction with our Professional Advisory Board and case managers, Get Safe has served the needs of Area Boards and Regional Centers throughout Southern California for more than 10 years. During that time, Get Safe has developed numerous program, curricula and trainings all designed to help persons with disabilities, their families and caregivers and staff, access precisely the services they need, delivered professionally and with a personal sensibility as to how each category of individual learns, served up with a light approach that is both engaging and results-driven.

Our latest programs provide essential training designed to help keep consumers safe while responding to their growing population and interactions with caregivers and first responders:

- **Get Safe First Responder Training & Video** – Across the nation, persons with disabilities find themselves victimized not only by unscrupulous individuals, but also the system. Without clear guidelines, a person with developmental disabilities may easily fall prey to circumstances resulting in incarceration, injury or even death; many of which can be mitigated by simply providing first responders (law enforcement, firefighters, doctors, EMTs, etc.) with a simple-to-use method for quickly identifying communication styles and behaviors one might find in a person with disabilities. Working with the Orange County Regional Center, Get Safe developed an exciting, informative training program and video, designed to help first-responders have a clear, quick-reference for identifying persons with disabilities and effective methods for dealing with their typical behaviors. The ultimate plan is to supply this video and pocket reference-cards to law enforcement agencies across the nation.
- **The National Predator Database by Get Safe**—There have been countless reports in recent years about sexual predators in our communities preying on those who can't speak out or defend themselves, including persons with developmental disabilities. Schools, law enforcement agencies and our judicial system act quickly to identify, prosecute and incarcerate sexual predators when possible, however, WE NEED MORE. The National Predator Database by Get Safe does what no other listing of convicted sex offenders has ever been able to do: provide a relational database of more than 650,000 known predators across all 50 states, searchable by name, physical description, location, photograph, or even within a radius of miles surrounding a central location, city or zip code. Parents, law enforcement, educational institutions, any company, organization or care/service provider, anyone interacting with persons with developmental disabilities with an obligation to screen their employees, keep their charges safe from sexual predators and keep our cities and facilities safe from these convicted criminals need

the National Predator Database by Get Safe. The National Predator Database by Get Safe uses an ASP model for instant delivery and offers a customizable app for mobile users, such as law enforcement professionals. Following, are several programs we have successfully developed, implemented and managed for area board and regional centers throughout California:

- **Self-Advocacy Conferences** – Get Safe has produced several, two-day conferences for IRC consumers, their care-providers and families. With nearly 300 attendees at each conference, we have found this to be one of the most effective ways to deliver critical information in a fun and impactful manner, and providing the potential for real-world change in navigating multiple systems and processes to more effectively connect consumers with the services they require.
- **Get Safe’s Consumer Advocacy Training** – Get Safe’s Consumer Advocacy Team Program (GSCAT) bridges the gap between victims with developmental disabilities, alleged perpetrators, offenders and the law enforcement agencies, judicial system and victim assistance organizations responsible for their respective cases. GSCAT serves as an advocate for the rights of persons with developmental disabilities, provides guidance in understanding the processes involved in their cases, support in their recovers/re-entries, and liaison between consumers and various social service agencies.
- **Functional Legal Competency** – Get Safe’s FLC program is designed to provide essential analysis, evaluation and education for consumers who find themselves in the legal system. This innovative program sets the stage for a final evaluation by a forensic psychiatrist as to the consumer’s ability to assist in their own defense.
- **Group Safety Training** – This program can serve groups comprised entirely of persons with disabilities or persons with disabilities and their caregivers and service providers as the general program curriculum is customized to meet the needs of the audiences being served including practical solutions for bullying and interaction with law enforcement. Using realistic scenarios, interactive activities, props, simple and appropriate language and examples, repetition of key ideas, and humor, this program provides persons with developmental disabilities critical safety, prevention and preparedness education; while caregivers and service providers are afforded a first-person view of the program’s curriculum – a model they can use, without limit, in replicating the teachings to future clients.
- **Safer & Stronger Persons with Disabilities, and the People Who Care for Them** – This staff training program serves groups comprised entirely of individuals who provide services for persons with disabilities, caregivers, family and service providers. The program curriculum, including Secure Work Environments, is customized to meet the needs and abilities of the audiences being served. Using realistic scenarios, interactive activities, props, simple and appropriate language and examples, repetition of key ideas, and humor, this program provides individuals who care for persons with developmental disabilities critical safety, prevention and preparedness education, while caregivers and service providers are afforded a first-person study of the program’s curriculum – a model they can use, without limit, in replicating the teachings to future clients.

- **Legal Update Conferences for Staff, Care-Givers, Consumers and Parents** – Providing insights and practical experience on the ins and outs of the legal system for service recipients, their care providers and families to help individuals stay out or get out of the legal system.
- **Transportation & Residential Vendor Training** – Training interventions for staff can produce increased engagement in meaningful activities, leading to positive results for both staff and consumers. As such, Get Safe proposes a conference training program that will train, educate and empower support staff of persons with disabilities to reduce the circumstances that jeopardize community placements of consumers, through the prevention and mitigation of criminal activity and the promotion of social inclusion.
- **Get Safe Healthy Relationships and Sexual Behavior Training** – Unfortunately, many people with developmental disabilities are never taught about healthy relationships, dating or human sexuality, making this void an easy entryway for perpetrators eager to prey on their kindness and vulnerability. This community has, and continues to be, underserved with regards to healthy relationships, dating or human sexuality. Given the frequency in which rapes and inappropriate behaviors occur among persons with developmental disabilities, relationship training education is of the utmost importance. Get Safe not only does this, but also presents the information in a way that can be understood by participants with differing levels of functioning, comprehension, and independence.
- **Disaster Preparedness Training** – Disasters can happen anywhere and at any time. Although there are many programs to assist the general populations and first responders in being prepared for a disaster, persons with developmental disabilities are an overlooked and underserved population. Being ready for a disaster is part of maintaining one's independence which is at the very core of Get Safe's training tenants. Being able to meet one's own basic needs (food, water, shelter) is essential for everyone. For those with disabilities, several other basic needs must be added to the list including medications, life-saving equipment and supplies and an understanding of the changes in normal day-to-day activities most likely to occur during and after a disaster; these include extraordinary possibilities such as interactions with those in the general population, first responders and even unscrupulous individuals or criminals who may threaten their very safety. Drawing on thousands of successful trainings, engagements and consultations, Get Safe has developed a full-featured, disaster preparedness curriculum specifically for persons with developmental disabilities and those who care for them. This training is delivered with the same attention to detail, audience interest and humor that are the very hallmarks of Get Safe deliverables.